EDMONTON

2003 – 2012

long range financial plan

UPDATE

THE CITY OF Edmonton

May 2002

2003-2012 Long Range Financial Plan

Index

		Page
1. Executive Summary		**1**
2. Introduction		**2**
3. 2003-2012 Operating Projections		**7**
3.1	Cost Impacts	7
3.2	Service Needs	8
3.3	Revenues	10
3.4	Options to Close the Operating Gap	12
4. 2003-2012 Capital Projections		**13**
4.1	Assessment of Existing Infrastructure	13
4.2	Ten-Year Capital Plan	13
4.3	Ten-Year Capital Financing	16
4.4	Options to Close the Capital Gap	17
5. Conclusions and Recommendations		**20**

		Page
Appendices		**22**
I.	**Setting the Stage**	**22**
I.i	Economic Environment for Edmonton	22
I.ii	History of City Budget	24
I.iii	Value for Municipal Taxes	27
II.	**Perspectives on Municipal Finances**	**29**
III.	**City Initiatives Underway**	**31**
III.i	Equitable Relationship	31
III.ii	Infrastructure Strategy	31
III.iii	Partnerships	32
IV.	**Alternative Revenue**	**32**
V.	**LRFP Policies**	**34**
VI.	**New Services and Growth Listing by Program**	**37**
VII.	**Ten-Year Capital Plan by Program**	**42**

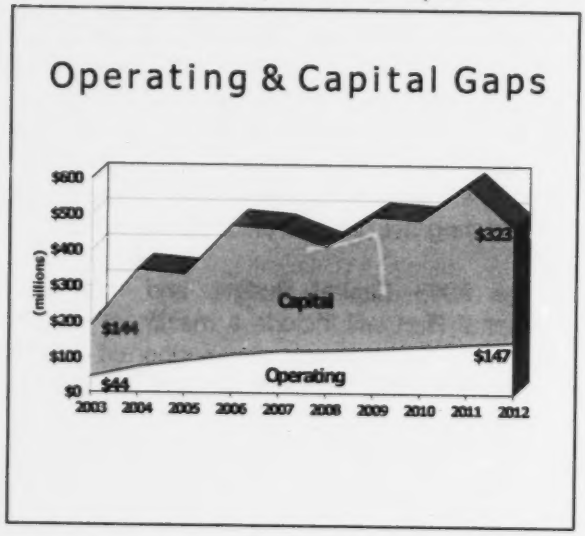
1. Executive Summary

The Long Range Financial Plan (LRFP), originally developed in 1998, contains ten-year financial projections and comprehensive statements of principles and policies to guide financial decision-making by the City of Edmonton. The goal is to ensure the City is in sound financial condition and can finance services to the public on a continuing basis.

❑ Overall Gaps

The 2003-2012 LRFP update provides the fourth annual update of the City's long-term revenue and expenditure projections developed under the original plan. Each LRFP update has demonstrated that there is a substantial shortfall or "gap" between anticipated City revenues and the level of spending needed to both maintain existing services and assets and respond to the needs from growth and for new services. The projections of financial requirements presented in the LRFP are consistent with goals set out in existing Council plans and visions.

The chart below depicts the "gaps" as projected in the 2003-2012 LRFP update. The operating gap grows from $44 million in 2003 to $147 million in 2012. The capital gap will increase from $144 million to $323 million by 2012.



On the operating side, progress has been made in reducing the gap, mainly due to the implementation of efficiency initiatives, strong real assessment growth revenues, inflationary tax increases and growth in EPCOR dividends. Two years ago, it was predicted that the City would have difficulty in just maintaining existing services. Last year the projections improved to the point where it was predicted that current services could be maintained and the demands for new and expanded programs could begin to be addressed. On the capital side however, the City's financial health has not improved, mainly due to the growing backlog of required rehabilitation and replacement work, increasing infrastructure requirements due to growth of the City, and little or no growth in funding.

❑ Key Observations

The 2003-2012 LRFP update forecasts that City revenues – including inflationary tax increases – will be sufficient to maintain 2002 service delivery. There is no flexibility until 2007 to address the demands of growth, although many of the costs – such as maintaining new roads, mowing new parks and boulevards, and collecting waste in new neighbourhoods - are not discretionary. Similarly, funding is not available until later years of the plan to address requirements for enhanced services like improved ambulance service, community policing and better transit and DATS service.

Projections indicate that the current underfunding of infrastructure rehabilitation and replacement projects – like replacing roads and sewers in older neighbourhoods – will worsen. In addition, the City will be unable to address a significant portion of capital projects needed to deal with growth of the City, including new roads, interchanges, police and fire stations, libraries and recreation facilities.

A major factor contributing to the underfunding of infrastructure is the lack of growth in capital

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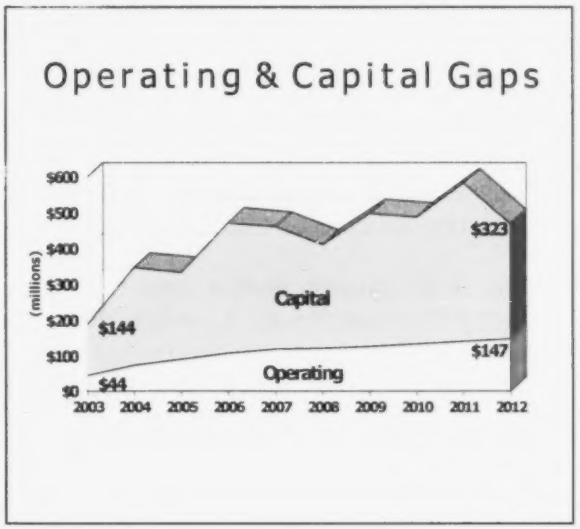

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A major factor contributing to the underfunding of infrastructure is the lack of growth in capital

revenues. The City's Debt Management Fiscal Policy provides for $81 million per year in City tax levy funding for capital investment and no new tax-supported borrowings. Provincial fuel tax funding – the other major source of capital funds – is expected to essentially remain flat over the planning horizon as fuel efficiency gains offset volume growth. One method of helping to address the backlog of projects and moving ahead with growth is to consider the limited, strategic use of tax-supported debt. Although the use of debt will not eliminate the infrastructure gap, it is a valid financial tool to help address the demands. This opportunity is explored in the LRFP update.

The City of Edmonton is not in a unique fiscal situation. Increasingly it is being recognized that municipalities across the country are experiencing financial stress and that collaborative solutions with other orders of government are required. In Edmonton, a number of key initiatives have been introduced by the City to address the funding gaps and ensure citizens continue to receive the quality, best-value services they expect. Work is underway to assess and prioritize our infrastructure needs through the *Infrastructure Strategy*. Innovative ways of providing services without raising taxes are being pursued through the *Expenditure and Revenue Review*. Solutions are also being sought by working with other orders of government on the *Equitable Relationship* and *Urban Strategy* projects.

❑ Conclusions and Recommendations

There are several implications of the updated LRFP projections. Inflationary tax increases are needed to help maintain current service levels over the next several years. In order to address demands for expanded or new services, as well as non-discretionary growth, the City must also continue to create flexibility through expenditure savings and alternative revenue sources. Any amounts identified can be used to reduce the projected operating gap. With respect to capital investment needs, funding sources need to grow in order to maintain the existing inventory of assets and accommodate growth and economic development. One option is to revise the debt policy to allow the strategic use of tax-supported debt, matched by a revenue increase to cover the debt repayment. Lastly, the City must continue to work closely with other orders of government and regional partners to clarify responsibilities and options for service delivery, and develop associated funding strategies.

Consistent with these conclusions, the following guidelines for preparation of the 2003 Budget and 2003-05 business plans are recommended to City Council:

1. In addition to increases from real assessment growth, tax revenues will increase each year at the rate of CPI for Edmonton plus 1% to address the capital gap. For planning purposes, the figures are: 2003 = 2.5% CPI + 1%; 2004 = 2.0% CPI + 1%; and, 2005 = 2.0% CPI + 1%.

2. The 2003 Operating Budget will be presented to Council at the estimated Edmonton CPI level, showing the reductions necessary to achieve a 0% tax increase. This will give Council specific options to consider if a lower than CPI tax increase is desired.

3. Available corporate funds will be allocated between Civic Programs and Authorities based on their relative shares of the tax levy. This recommendation allows for cost increases due to inflation to be funded and ensures a fair and equitable process for allocating the balance of corporate funds.

4. The 2003 Capital Budget and five year Capital Plan will include a maximum of $50 million in annual tax-supported debt financing (total $250 million over five years); recommended priority projects for borrowing to be clearly identified annually for approval by Council.

5. The Expenditure and Revenue Review Project will target to generate an additional $10 million in 2003, with funds retained by the originating program. Use of these funds to be clearly identified to Council.

2. Introduction

❑ Background of LRFP, Linkages to Planning Process

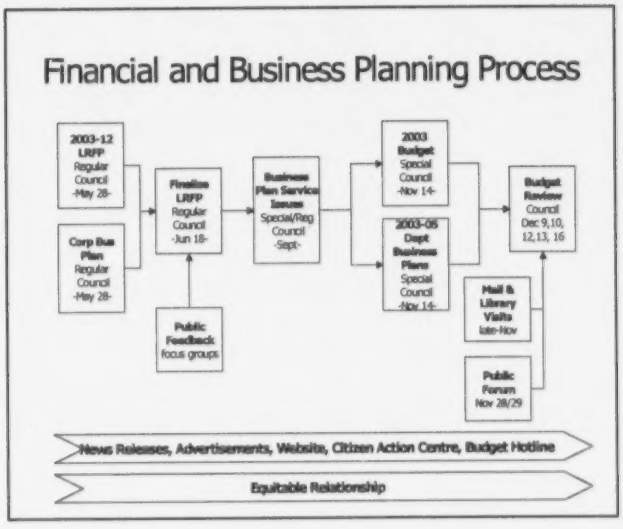
The Long Range Financial Plan (LRFP) contains ten-year financial projections and comprehensive statements of principles and policies to guide financial decision-making by the City of Edmonton. The goal is to ensure the City is in sound financial condition and can finance services to the public on a continuing basis.

The LRFP was originally prepared by KPMG and approved by Edmonton City Council on August 20, 1998. It formed part of a new approach to financial management in the City, shifting the emphasis from bottom line financial concerns to service delivery, within a longer term financial planning horizon.

The policies embedded in the LRFP are long-term in nature. Consistent, short-term directions are developed and approved as part of the annual budget process. LRFP policies address eight key areas (see Appendix V for details).

1. Financial Management
2. Financial Reporting
3. Operating Revenues
4. Operating Expenditures
5. Capital Improvement Program
6. Debt Management – Capital Financing
7. Reserves
8. Land Management

The ten-year financial projections in the LRFP have been updated annually, while the policies have remained intact. The 2003-2012 LRFP represents the fourth annual update, providing a picture of the City's economic and financial position and projecting into the future the issues and opportunities being faced.


Financial and Business Planning Process
2003-12 LRFP Regular Council -May 28-
Corp Bus Plan Regular Council -May 28-
Finalize LRFP Regular Council -Jun 18-
Public Feedback focus groups
Business Plan Service Issues Special/Reg Council -Sept-
2003 Budget Special Council -Nov 14-
2003-05 Dept Business Plans Special Council -Nov 14-
Budget Review Council Dec 9,10, 12,13, 16
Mail & Library Visits late-Nov
Public Forum Nov 28/29
News Releases, Advertisements, Website, Citizen Action Centre, Budget Hotline
Equitable Relationship

As indicated in the chart above, the LRFP and Corporate Business Plan are key components of the City's financial and business planning activities planned for 2002. These processes are supported by ongoing public communication activities. The Corporate Business Plan and LRFP will aid City Council in establishing directions for the 2003 Budget and departmental business plans. The Equitable Relationship project is also underway, supporting the financial and business planning processes.

❑ LRFP Update Approach

To ensure reasonable operating and capital projections, revenue and cost estimates were developed in detail by front line service areas and consolidated corporately for presentation.

The **operating projections** are presented in three components.

Recosted Expenditures – The costs to just maintain the services the City currently provides.
Growth of Existing Services – Increased demands for existing services, driven by population and physical growth of the City.
New or Enhanced Services – Services not currently offered or significant changes to current services or service levels.

Capital expenditure projections reflect the required investment needed to rehabilitate, replace and grow the infrastructure to support the services delivered to the citizens of Edmonton.

The capital forecasts are identified by capital expenditure initiative or infrastructure element. They are also classified by investment category (i.e. Infrastructure and Physical Environment, Planned Growth and other).

❑ Assumptions Used for Operating and Capital Projections

The following major assumptions were incorporated into the 2003-2012 LRFP.

- Edmonton's economic future is bright, with strong growth expected.
- Edmonton will continue to be attractive for business investment due to a low cost environment and high quality of life.
- Market value adjustments do not generate new revenues for the City.
- Real property assessment growth is estimated to be above average for two years (1.9%) and then return to more moderate levels thereafter (1.3%).
- Real business assessment growth is expected to be 1.25% annually.
- Property and business taxes (beyond real growth) will increase at the rate of the Edmonton Consumer Price Index. The rate for 2003 is 2.5% and then 2% annually thereafter.
- EPCOR dividends to the City will increase to $110.5 million in 2003 (up $10 million from 2002) and rise to approximately $155 million by 2012, consistent with the dividend policy currently in place.
- Effects of any amounts to be identified in the 2003 *Expenditure and Revenue Review* exercise are not reflected in the projections.
- Population growth will average 1.2% per year.
- Forecast capital expenditures were developed based on the City Council approved five-year capital priorities plan and best estimates for subsequent years.
- Capital funding represents both internal (e.g. funding from tax revenues) and external (e.g. grants, partners) sources.
- No new tax-supported borrowings have been incorporated in the capital funding forecasts.
- 10 year Provincial fuel tax funding is estimated to be $70 million annually. This assumes a five cents per litre fuel tax and no expected growth in Edmonton fuel consumption due to improved fuel efficiencies from technological changes in automobiles.
- All revenues and expenditures are expressed in nominal dollars.

❑ History of City Budget

Several factors from the past decade significantly influence our financial picture today. Tax revenues remained flat throughout most of the 1990s. During the mid-1990s City finances were stretched to deal with provincial grant reductions, downtown re-assessment and several consecutive years of 0% tax increases. Since 1999 the City has begun to address the demands for new and expanding services.

In the last five years, capital funding has begun to increase in both internal and external sources, however, the City continues to struggle

with insufficient funding overall to address capital projects.

❑ Value for Municipal Taxes

Edmontonians receive very good value for their municipal taxes. Statistics Canada reports that 1.2% of the annual spending of an average Edmonton household is for municipal taxes. This compares to 14.7% for federal income taxes and 6.5% for provincial income taxes. (See Appendix I for details).

For that 1.2% of spending, Edmontonians receive public infrastructure and civic services that affect their lives every day, from transit and roads to police, fire and ambulance, as well as a host of recreational opportunities and other services.

Edmonton's taxes also continue to rank very competitively compared to cities across Canada, as well as within the Edmonton region. The latest survey of taxes ranked Edmonton's taxes in the middle of the 18 major cities and 11 local jurisdictions surveyed.

❑ City Initiatives Underway

The City of Edmonton has a number of initiatives underway which are helping to deal with financial issues. (See Appendix III for more details).

The **Land Drainage Utility** is being considered as a way to more fairly charge users and implement stable funding for necessary system upgrades and maintenance in the future. This issue is currently before the City's Transportation and Public Works Committee.

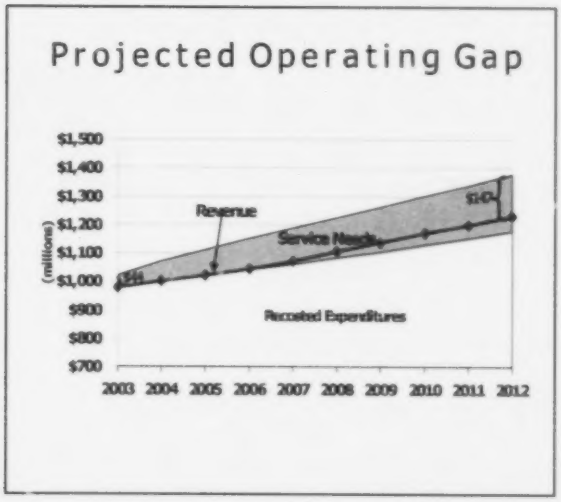
The **Equitable Relationship** project is an initiative to establish an ongoing, predictable relationship between The City of Edmonton and the Province of Alberta. The project will examine respective roles and responsibilities for delivering and funding local services and programs.

The **Infrastructure Strategy** has been underway for several years and aims to assess the state of the City's assets and develop policies and tools to guide investment decisions.

The use of **partnerships** is another direction the City continues to pursue in order to complete capital projects such as community facilities and LRT and Conference Centre expansions.

3. 2003-2012 Operating Projections

The chart below depicts the magnitude of the key operating cost drivers and associated revenues over the 2003-2012 period.



Operating costs have been projected in two general categories: costs to continue delivering the same service as provided in 2002, adjusted for inflation; and costs of adding new services or expanding current services beyond 2002 levels to meet growth demands of the City or emerging needs.

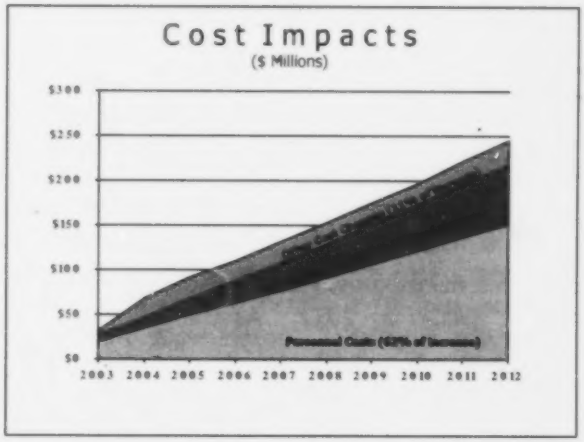
Revenues include all operating revenues anticipated to be received by the City, including property and business taxes, user fees, fines and permits, investment income, EPCOR dividends, grants and other sources.

The projections indicate that the City will be able to maintain services at the 2002 level into the future, but not be able to fund service needs until 2007. The excess of total projected costs over operating revenues is referred to as the operating gap. The gap is projected to be $44 million in 2003, rising to $147 million by 2012.

3.1 Cost Impacts

Costs to continue delivering existing services in the future are expected to increase from $953 million in 2002 to $1.18 billion in 2012, an increase of 24% over the ten years. At the same time, existing revenue sources will increase from $953 million in 2002 to $1.23 billion in 2012 for a total increase of 29%. The net impact over 10 years is positive; costs to maintain services at the 2002 level can be covered by increases in current revenue sources. In the short-term, however, revenues are just able to keep pace with cost impacts to maintain services at the 2002 level. Non discretionary increases in costs such as growth in the waste delivery area and inventory of parks and roads are not funded in the projections. EPCOR dividends show higher growth later in the plan (this is consistent with the current dividend policy) resulting in the availability of funds to pay for service needs.

The chart below shows the major factors driving the cost increases to maintain 2002 services.



The biggest cost impact is for personnel at 62% of the overall increase. This is due to the fact that over half of the City's nearly $1 billion in operating expenditures are personnel related (salaries, wages, allowances and benefits). Every percent increase in personnel costs

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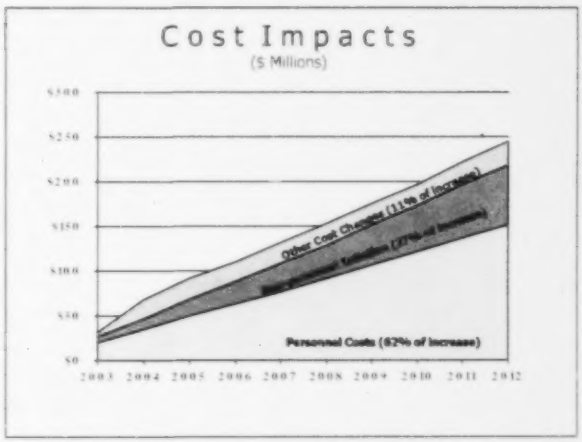


The biggest cost impact is for personnel at 62% of the overall increase. This is due to the fact that over half of the City's nearly $1 billion in operating expenditures are personnel related (salaries, wages, allowances and benefits). Every percent increase in personnel costs

translates into roughly $5 million in increased costs to the City. Like other large service organizations, personnel costs are a major driver of overall costs. There also have been major rate increases for Alberta Health Care and Workers Compensation Board premiums, costs that are not controllable by the City but need to be funded nonetheless.

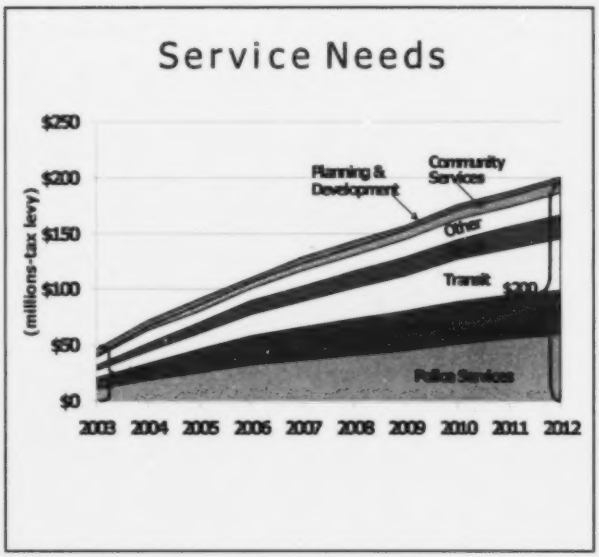
Non-personnel inflation accounts for 27% of the increase in costs. This relates to inflation on the prices of the goods and services the City purchases to deliver local programs (e.g. tires, utilities, office supplies, asphalt and diesel). The other cost impacts are for annualization of services begun part way through 2002 (e.g. new transit service and newly hired Police officers) and for corrections of historic budget shortfalls that have been identified.

3.2 Service Needs

Service needs represent requirements for services or service levels not currently provided by the City, as well as expansion of existing public services due to growth of the City. The following chart shows the total operating service needs by program within the City. Appendix VI contains a program by program listing of all service needs identified over the 2003-2012 period.

❑ By program

Service needs grow from $46 million in 2003 to $200 million by 2012. As the following chart indicates, the large service areas, including Police Services, Emergency Response, Roads and Transit are the major drivers of the service needs. Together they account for 68% of the service needs in 2003, rising to 83% by 2012, driven by higher growth in Police Services and Transit.



The single largest service need identified over the planning horizon is for Police resources related to growth of the City and expansion of Community Policing. The Police forecasts a need for 422 additional positions over the next ten years to meet growing demands, increasing complexity of policing and to revitalize Community Policing programs. The goal of this plan is to have a population to police ratio of 485:1, a level of policing not seen since the early 1980's. By 2012, the estimated cost of the Community Policing initiative is $44 million, representing 22% of total City service needs. The total Police component of City service needs increases from 24% in 2003 to 30% by 2012.

The next largest service need by 2012 is from Emergency Response Department to meet the National Fire Protection Association Standard 1710. This requirement is consistent with Fire Vision 2000 and would provide 27 additional firefighters each year in 2003, 2004, 2005, 2006 and 2007. Other key initiatives in the Emergency Response Department are operating costs relating to new fire stations in suburban areas (Meadows and Belle Rive) and improvements to Emergency Medical Services (EMS) to meet Council approved response targets. The proposals for EMS include service level enhancements recommended by the Fitch

review conducted in 1999 and implementation of a single start location. The Emergency Response component of City service needs stays at approximately 20% over the term of the LRFP.

Some of the major requirements in the Transit program are additional DATS and Transit service to meet growth in demand, contributions to the Bus Reserve Fund for replacement buses and the operating costs of new facilities, such as the South LRT. Service needs for Transit grow from $6.5 million in 2003 (14% of City service needs) to $46 million in 2012 (23% of City service needs).

The Roads program has identified $4 million of requirements in 2003, rising to $21 million by 2012. Road requirements remain approximately 10% of the City service needs over the plan. Several of the larger requirements include a pavement investment strategy, maintenance costs due to growth in the road inventory and increased funding for snow and ice control.

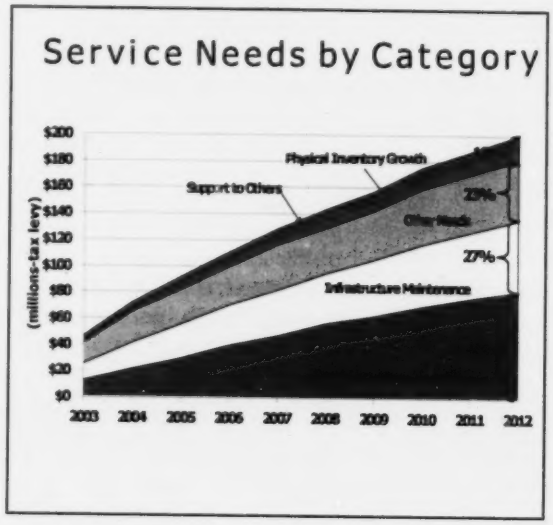
Planning and Development has brought forward a number of project related initiatives, e.g. updating Plan Edmonton, implementing Capital City Downtown Plan initiatives, creating a Downtown Retail Complex Reinvestment program, reviewing urban design principles, and development of a provincially centralized assessment database.

Major needs in Community Services include maintaining the growing inventory of parkland, potential changes to mosquito control due to federal environmental regulatory changes, increasing support to communities, growth in community investment grants and operation of proposed new recreation facilities (e.g. indoor/outdoor facility, Northeast and Southeast leisure centres).

Other requirements include provision of basic maintenance to new and expanded City facilities, maintenance of new equipment, provision of custodial services to new facilities, collection and processing of growing volumes of waste and recyclables, maintenance of a larger inventory of refuse and recycling bins and maintenance of growth in corporate information technology.

- **By category**

The City's service needs have also been categorized according to a number of major themes as presented in the chart below.



Costs driven by population growth account for 40% of the service needs by 2012. Infrastructure maintenance costs are next at 27% of the total in 2012. Examples of the other needs are given in the following table. The table also provides definitions of each of the major themes. It is important to recognize that many of the service needs identified are not discretionary expenditures. Without adequate new funding to deal with these costs, the City will have to make reductions in other areas in order to accommodate the demands.

translates into roughly $5 million in increased costs to the City. Like other large service organizations, personnel costs are a major driver of overall costs. There also have been major rate increases for Alberta Health Care and Workers Compensation Board premiums, costs that are not controllable by the City but need to be funded nonetheless.

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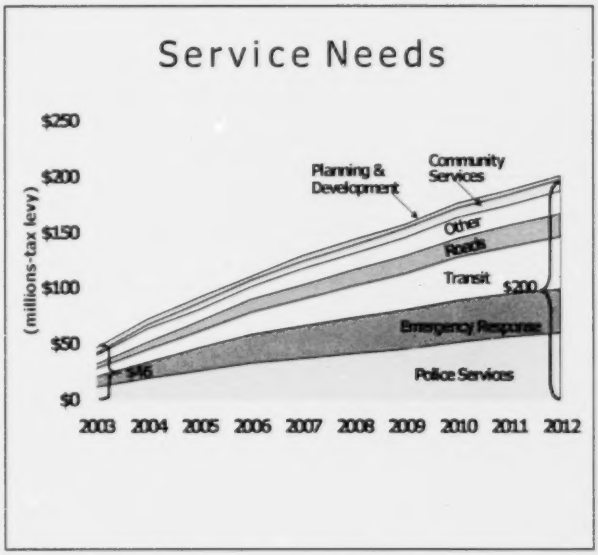

The single largest service need identified over the planning horizon is for Police resources related to growth of the City and expansion of Community Policing. The Police forecasts a need for 422 additional positions over the next ten years to meet growing demands, increasing complexity of policing and to revitalize Community Policing programs. The goal of this plan is to have a population to police ratio of 485:1, a level of policing not seen since the early 1980's. By 2012, the estimated cost of the Community Policing initiative is $44 million, representing 22% of total City service needs. The total Police component of City service needs increases from 24% in 2003 to 30% by 2012.

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review conducted in 1999 and implementation of a single start location. The Emergency Response component of City service needs stays at approximately 20% over the term of the LRFP.

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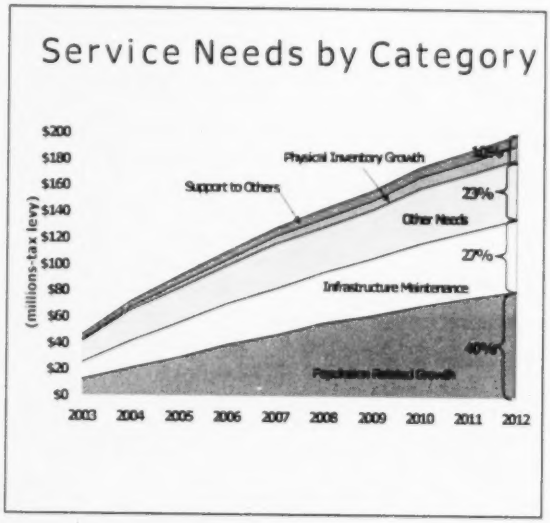
Planning and Development has brought forward a number of project related initiatives, e.g. updating Plan Edmonton, implementing Capital City Downtown Plan initiatives, creating a Downtown Retail Complex Reinvestment program, reviewing urban design principles, and development of a provincially centralized assessment database.

Major needs in Community Services include maintaining the growing inventory of parkland, potential changes to mosquito control due to federal environmental regulatory changes, increasing support to communities, growth in community investment grants and operation of proposed new recreation facilities (e.g. indoor/outdoor facility, Northeast and Southeast leisure centres).

Other requirements include provision of basic maintenance to new and expanded City facilities, maintenance of new equipment, provision of custodial services to new facilities, collection and processing of growing volumes of waste and recyclables, maintenance of a larger inventory of refuse and recycling bins and maintenance of growth in corporate information technology.

❑ By category

The City's service needs have also been categorized according to a number of major themes as presented in the chart below.

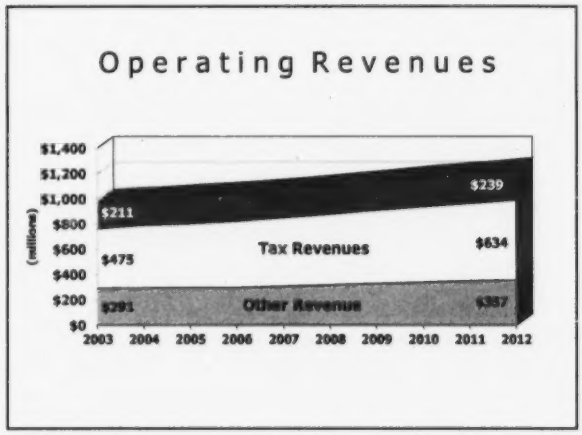


Costs driven by population growth account for 40% of the service needs by 2012. Infrastructure maintenance costs are next at 27% of the total in 2012. Examples of the other needs are given in the following table. The table also provides definitions of each of the major themes. It is important to recognize that many of the service needs identified are not discretionary expenditures. Without adequate new funding to deal with these costs, the City will have to make reductions in other areas in order to accommodate the demands.

THEME	Description
Population Related Growth	Increases in population create demands to extend current services to the new citizens. This would include, for example, transit and DATS service, services to communities as well as access to public libraries and recreation facilities.
Infrastructure Maintenance	As civic facilities and equipment age they require increasing maintenance. New facilities and equipment also need to be maintained.
Physical Inventory Growth	As the City grows and new neighbourhoods are built, costs arise to maintain the physical assets that are added. For example, roads need to be plowed and sanded, street and traffic lights have to be maintained, the grass in parks and boulevards has to be mowed and garbage must be collected. The City cannot avoid these costs.
Support to Others	The City assists outside agencies that provide services and support to citizens. Some of these groups include the Greater Edmonton Foundation and the Arts Council.
Other Needs	Some examples of initiatives in this category are an increase to the Dangerous Goods Response capacity, achieving the City Council approved Emergency Medical Services response target, meeting the National Fire Protection Association Standard, Workforce Planning in Corporate Services, DATS service and support improvements.

3.3 Revenues

The projected cost of operations is only half of the equation explaining the operating gap. The other factor is revenue. Revenues include taxes, user fees, fines, permits and corporate revenues.



❑ Taxes

As indicated in the chart above, taxes will continue to make up the largest component of expected operating revenues. Taxes are forecast to rise from $475 million in 2003 to $634 million by 2012. This forecast assumes that tax revenues will rise by CPI after assuming an overall 1.7% annual real growth in the projected assessment base for the first two years and 1.2% for the last eight years. CPI is forecast at 2.5% in 2003 and 2.0% thereafter. The annual tax revenue increase in 2003 is predicted to be 4.7%, which includes $2.2 million in higher than budgeted tax revenue for 2002 (0.5%). In 2004, the annual tax revenue increase is predicted to be 3.7% with the rate of increase dropping to 3.2% over the last eight years of the forecast.

❑ User fees, fines and permits

As shown on the chart, user fees, fines and permit revenue will grow from $211 million in 2003 to $239 million by 2012.

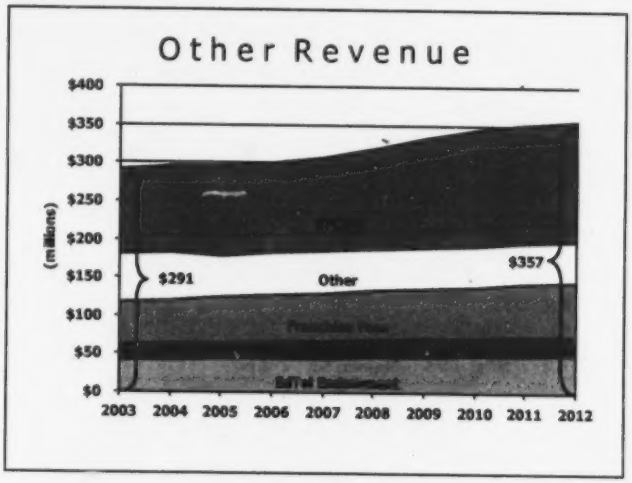
The average annual volume increase over ten years is just under 1%. The large contributors on the volume side are Police, Transit and Waste Management. The average annual price growth over ten years is slightly over 1%. Price increases are consistent with existing fee strategies, such as the Waste Management Strategic Plan and the Transit Fare strategy. The large contributors on the price side are Planning & Development, Waste Management and Recreation and Cultural Facilities.

Price-setting involves many considerations. Maintenance of volumes in many cases depends on the ability of City fees to remain competitive. Certain fees such as bus fares are relatively responsive to price changes, i.e. increases in prices tend to reduce ridership. Considerations of convenience, such as coin combinations, is another price-setting factor. There are also broader social objectives that have to be taken into account. Fines, for instance, need to be set at a level so as to act as a deterrent. Citizens require an affordable way to travel within the city for work. Leisure pursuits need to be accessible to all Edmontonians. As the above indicates, there are a large number of variables that come into play in determining appropriate rates and influencing volumes.

The strategy for setting fees established in 2000 is to maintain or increase historical cost recovery ratios. This approach ensures that the demands on tax revenue do not increase through time and allows progress to be made on reducing the reliance on taxes. This approach also recognizes that if maintenance of the ratio is not achievable on the price side, then programs would be required to consider cost reduction options as well.

❑ Other revenue

Major other revenues include earnings from the EdTel Endowment Fund, other investment earnings, franchise fees from EPCOR, ATCO and the sanitary utility, and dividends from EPCOR.



Earnings from the EdTel Endowment Fund and other investments increase at inflationary rates over the ten-year period. Franchise fees increase by $15 million, mostly due to EPCOR. The drop in funding from the "other" category reflects the decline of excess sinking fund earnings used for capital projects through 2004. EPCOR dividends grow substantially over the ten-year period, particularly from 2007 to 2010. These dividends reflect the existing EPCOR dividend policy.

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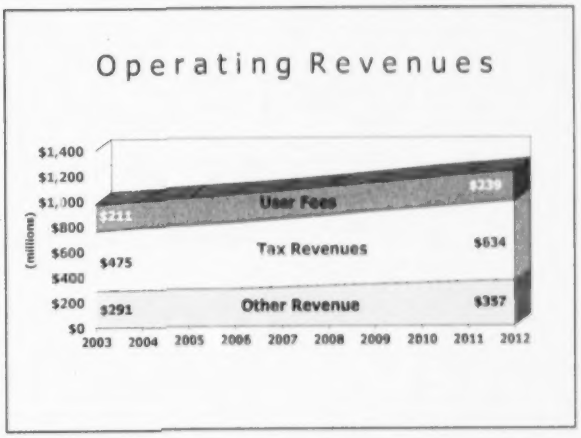

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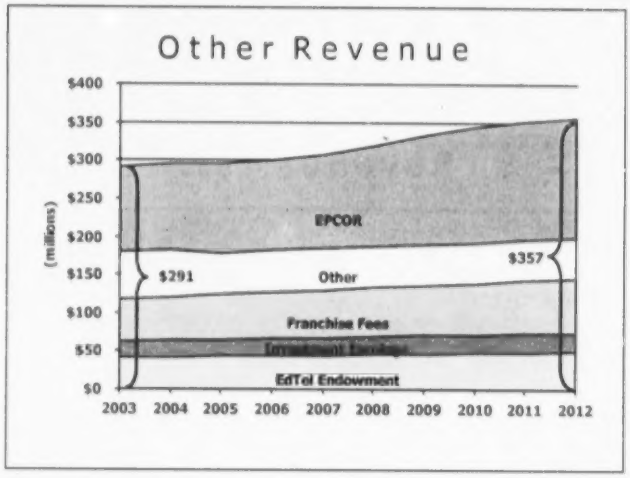

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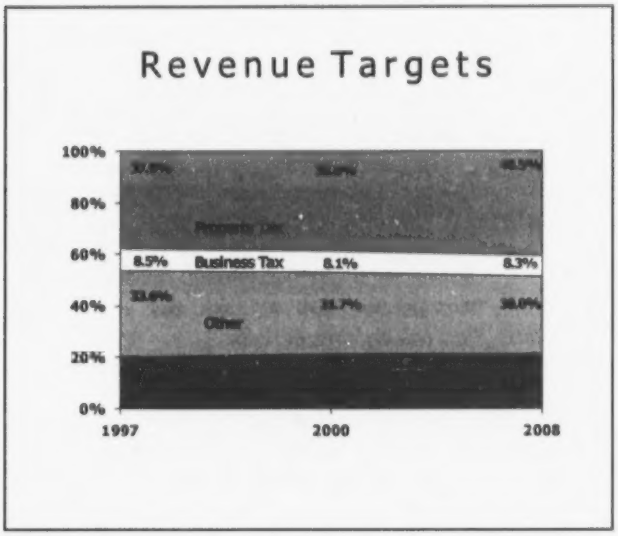
The following Chart shows the relative proportions of revenues expected to be received from the major categories of revenue.



In order to enhance the City's revenue diversity, the first LRFP established targets that user fees, fines and permits should make up 25% of corporate revenue by 2008 and that taxes should never exceed 40% of corporate revenue. In 2000, property taxes were within the 40% target, and will only slightly exceed the target in 2008. User fees are essentially maintaining their share of the overall revenue sources over time, but the target of 25% will not be satisfied.

3.4 Options to Close the Operating Gap

In order to address the operating gap a number of strategies must be followed. The original LRFP identified three pillars to maintaining the sound financial health of the City of Edmonton. The strategies to deal with the operating gap are comprehensive, addressing the three pillars.

1. **Revenues:** The amount of operating revenue the City generates from taxes, user fees, fines, permits and investment income.
2. **Expenditures:** The amount of operating expenditures the City incurs.
3. **Financial Arrangement with the Province:** Sharing of revenues and allocation of responsibilities.

City Council has undertaken the *Equitable Relationship* project to establish an ongoing, predictable relationship between the City of Edmonton and the Province of Alberta. As part of this process, both orders of government will need to clearly define their respective roles and responsibilities in terms of the most cost effective, efficient and accountable delivery of local services and programs. As an outcome, the City aims to reduce funding inequities and its dependency on property tax, and identify new, long-term sources of revenue. Clearly, this is a complex undertaking and, as such, a long-term strategy.

In the short-term, the City will continue the *Expenditure and Revenue Review* exercise with the goal of identifying $10 million in cost savings and revenue initiatives in 2003. This will permit some critical service needs to be addressed without reliance on new property or business taxes. The projections in the 2003-2012 LRFP update do not include the effects of the *Expenditure and Revenue Review.* The operating gaps will be reduced to the extent that the $10 million target is actually achieved. The results will be incorporated in the 2003 Budget exercise. During the *Expenditure and Revenue Review* exercise for 2002 some initiatives were identified but not implemented as they would have required policy direction from Council (e.g. replacement of trolley buses with diesel buses). Council may wish to examine these types of initiatives during the 2003 exercise.

Implementation of these long-term and short-term strategies will have a positive impact on reducing the operating gaps.

4. 2003-2010 Capital Projections

4.1 Assessment of Existing Infrastructure

❑ State and Condition of the City of Edmonton's Infrastructure

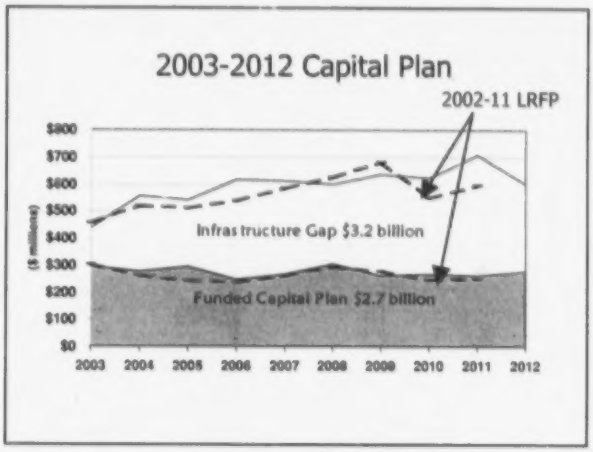
The City owns and manages a broad range of infrastructure with a total replacement value of $18 billion and average age close to half of its life expectancy (25 years out of 50 years). This year, the City has developed a new assessment tool for rating infrastructure in a standardized manner across all infrastructure areas. Three key areas are assessed: Physical condition, utilization or demand / capacity (the ability of the infrastructure to meet demands) and functionality (it's ability to meet and deliver service / program needs). This assessment system is intended to provide a strategic perspective of the state and condition of the City's infrastructure. The overall assessment of the infrastructure physical condition, demand/capacity, and functionality of the City's existing infrastructure is generally good to fair. About 13% of the City's infrastructure is in poor and critical physical condition, 17% is poor and critical in meeting demand/capacity and 8% is poor and critical in functionality. Some of the key infrastructure areas with high investment needs are: roads, traffic controls, street lighting, drainage system and the City fleet (LRT trains and busses).

These results are the first developed by the City and are preliminary confirmation of the issues the City has identified as part of the Long Range Financial Plan. Further work is planned to refine the assessment process and use the results in developing a plan of action. A report will be brought forward to City Council in fall 2002, which will provide an update of the infrastructure inventory and investment needs and progress on the Infrastructure Strategy.

4.2 Ten-Year Capital Plan

❑ Funded and Unfunded Highlights of Expenditures

The City's ten-year capital plan is presented in the following chart:



Over the next ten years the City will require $5.9 billion to meet infrastructure investment needs. The total available funding over that period is $2.7 billion or 46% of total requirements, leaving $3.2 billion or 54% of infrastructure investment needs not funded (also referred to as the "Infrastructure Gap"). Of the $3.2 billion in infrastructure gap, $0.5 billion has been identified as Partnership funding and $2.7 billion is reflected as City funding. There may be further opportunity to cost share with partners and reduce the City's portion.

Over the ten years the funded capital plan remains generally stable at $270 million on average per year. The unfunded expenditures grow from $140 million in 2003 to a high of $442 million in 2011. This is primarily as a result of growth pressures and a backlog of aging infrastructure needs.

When comparing the 2003-12 LRFP to the 2002-11 LRFP, depicted by the broken lines in the above chart, the funded capital expenditures do not change significantly and remain at $2.7 billion over the 10 years. However, the

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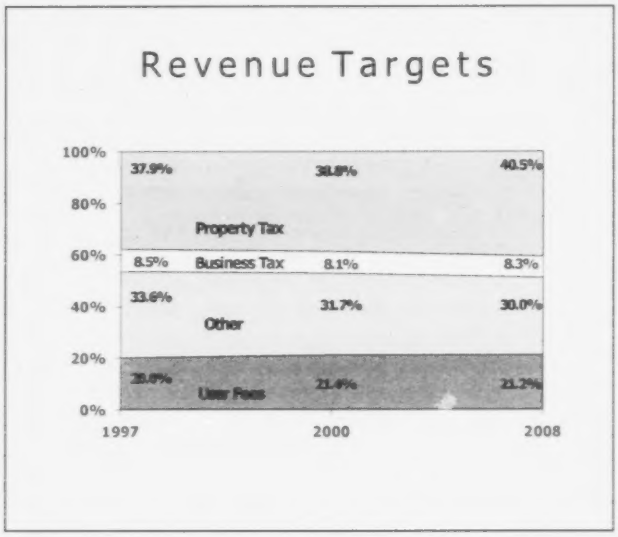

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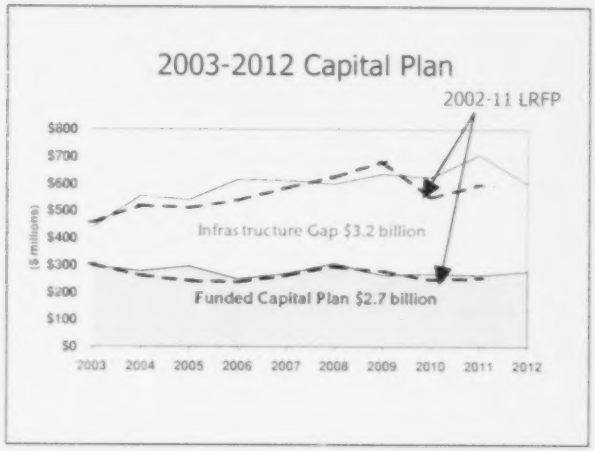

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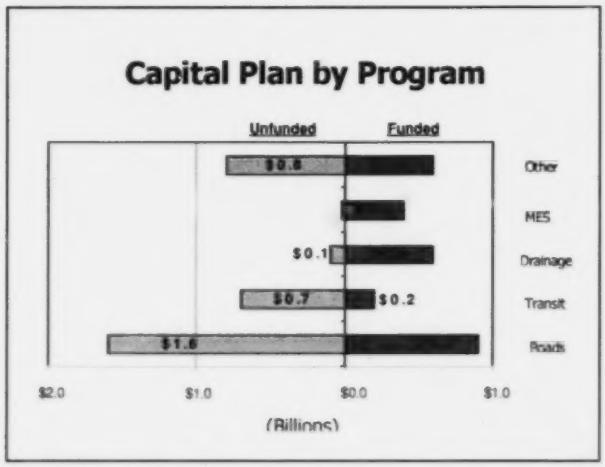
infrastructure gap grows from $2.8 billion in the 2002 LRFP to $3.2 billion in 2003 LRFP (an increase of $0.4 billion). This increase is primarily due to an increase in strategic road expenditures.

To put the capital plan into perspective in terms of the significant components, the following chart identifies the funded and unfunded expenditures by major program area (total $5.9 billion):



Over 76% of the capital plan is made up of Roads, Transit, Drainage, and Fleet (MES) infrastructure requirements.

❑ Areas of Investment

The City of Edmonton categorizes its infrastructure investment plan into three key categories:

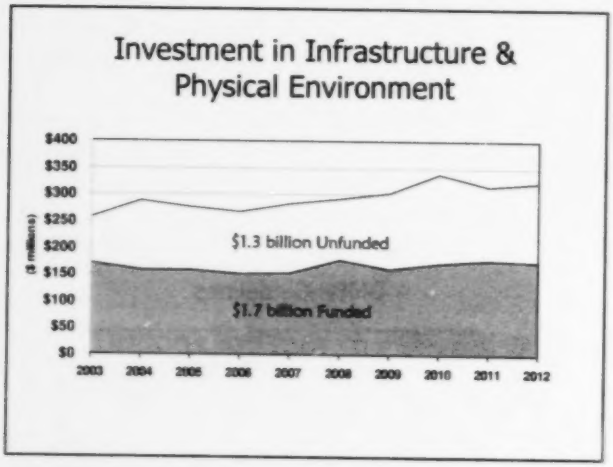
- Infrastructure & Physical Environment - represents investment in rehabilitation, replacement and environmental expenditures.
- Planned Growth - investment in new infrastructure or expansion of existing infrastructure to support growth;
- Other - investment in economic development, organizational effectiveness and regional initiatives.

The following presents the City's 10-year investment in infrastructure:

When investing in infrastructure the City attempts to balance the need to maintain existing infrastructure with the pressures of growth. In the chart above, 60% of available funding is targeted at preserving the existing infrastructure and dealing with environmental issues, while the balance of 40% is targeted at growth and other needs. Compared to last year, there has been a 2-3% shift to more growth-related expenditures, which is consistent with the economic trends.

On the unfunded side, 40% of expenditures relates to preserving the existing infrastructure and 60% is identified as growth and other investment needs.

The chart below shows the capital plan for existing infrastructure and physical environment.



According to the plan, $1.7 billion is funded and $1.3 billion is unfunded.

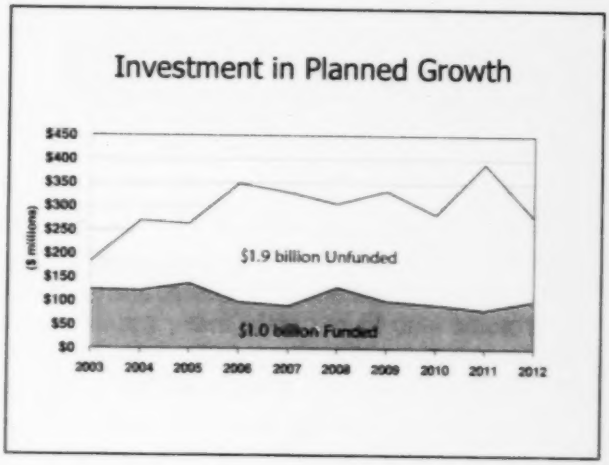
The key funded and unfunded capital expenditures are presented below:

Infrastructure and Physical Environment

	Funded	Unfunded
Roads	$488.3	$756.7
Transit & City Vehicles	401.1	11.0
Sanitary & Storm Drainage	384.8	42.7
Buildings	80.0	118.7
Parks, River Valley & Natural Areas	73.0	68.5
Other	227.6	289.5

The annual funded portion of the capital expenditure plan ($165 million) for existing infrastructure is less than 1% of the replacement value ($18 billion) of the total infrastructure. Based on the average expected life of approximately 50 years, 2% of the City infrastructure would need to be replaced annually over time. North American infrastructure experts suggest that annual maintenance, rehabilitation and replacement funding should be between 2% - 4%. **At less than 1%, the City's current investment plan to preserve the infrastructure is low.**

The following chart presents the funded and unfunded planned growth and other investment needs. The plan includes $2.9 billion in expenditures of which $1.0 billion is funded and 1.9 billion is unfunded.



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Planned Growth

	Funded	Unfunded
Roads	$455.8	$800.9
SLRT	94.5	512.5
Transit & City Vehicles	70.3	111.4
Sanitary & Storm Drainage	166.8	54.0
Parks, River Valley & Natural Areas	26.4	77.0
Other	275.3	343.2

A detailed listing of the funded and unfunded capital initiatives is provided in Appendix VII.

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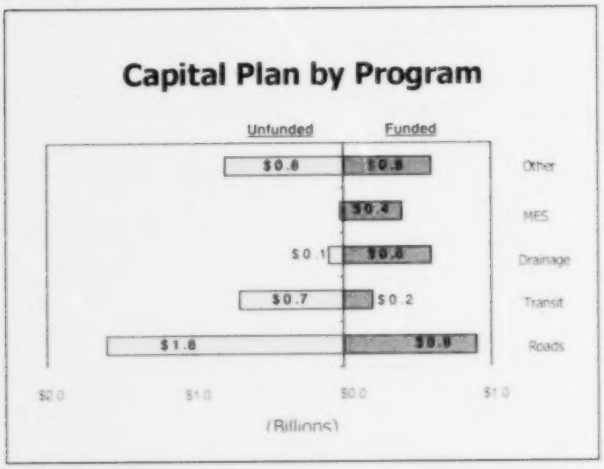

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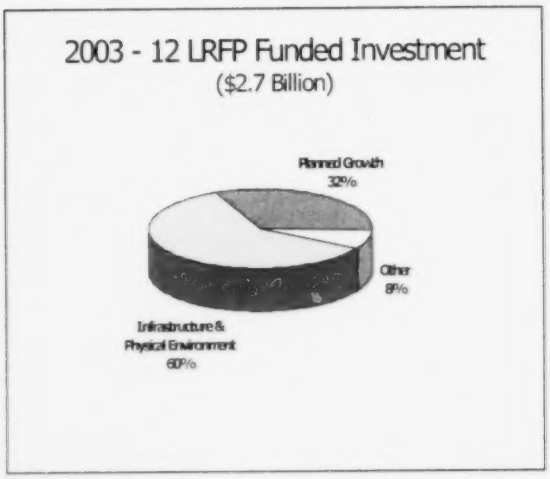

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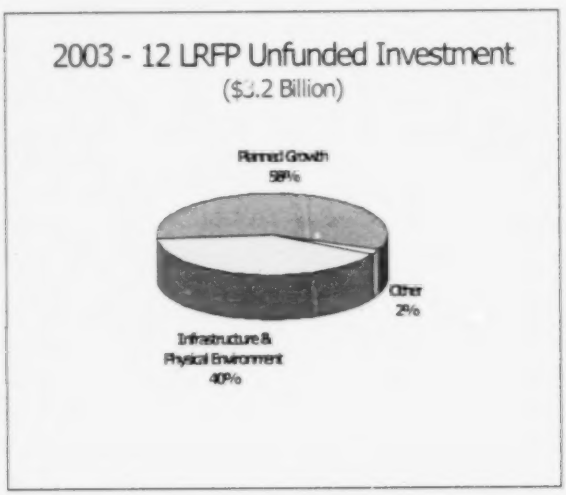

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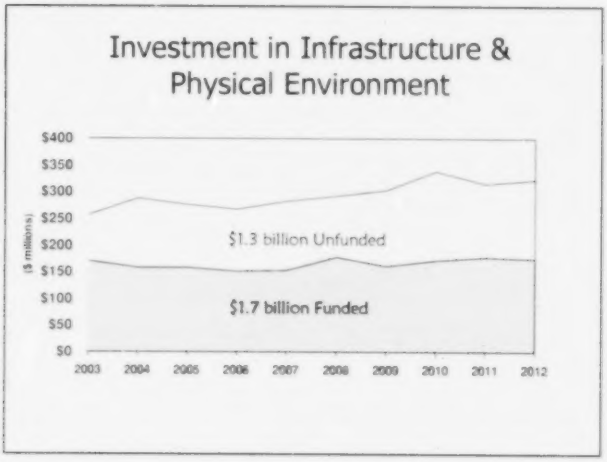

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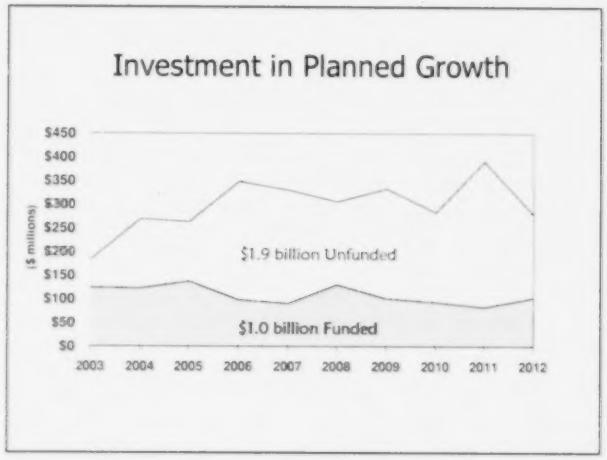
Transit & City Vehicles	401.1	11.0
Sanitary & Storm Drainage	384.8	42.7
Buildings	80.0	118.7
Parks, River Valley & Natural Areas	73.0	68.5
Other	227.6	289.5

The annual funded portion of the capital expenditure plan ($165 million) for existing infrastructure is less than 1% of the replacement value ($18 billion) of the total infrastructure. Based on the average expected life of approximately 50 years, 2% of the City infrastructure would need to be replaced annually over time. North American infrastructure experts suggest that annual maintenance, rehabilitation and replacement funding should be between 2% - 4%. **At less than 1%, the City's current investment plan to preserve the infrastructure is low.**

The following chart presents the funded and unfunded planned growth and other investment needs. The plan includes $2.9 billion in expenditures of which $1.0 billion is funded and 1.9 billion is unfunded.



The key funded and unfunded capital expenditures are presented below:

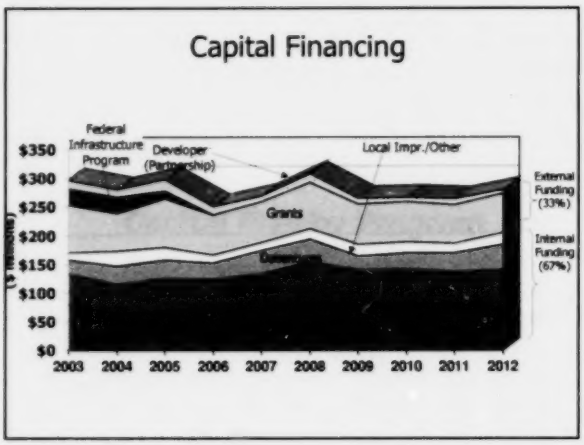
Planned Growth

	Funded	Unfunded
Roads	$455.8	$800.9
SLRT	94.5	512.5
Transit & City Vehicles	70.3	111.4
Sanitary & Storm Drainage	166.8	54.0
Parks, River Valley & Natural Areas	26.4	77.0
Other	275.3	343.2

A detailed listing of the funded and unfunded capital initiatives is provided in Appendix VII.

4.3 Ten-Year Capital Financing

The following chart outlines the projected funding that will be available for the period 2003-12.



The funding is broken down into seven major sources and classified into internal and external sources:

Internal (67% of total funding)

- General Financing (includes all City revenues set aside for capital expenditures - pay-as-you-go, one-time allocations);
- Reserves;
- Self-Liquidating Debentures (debt issued primarily for Sanitary Utility); and
- Local Improvement & Other.

External (33% of total funding)

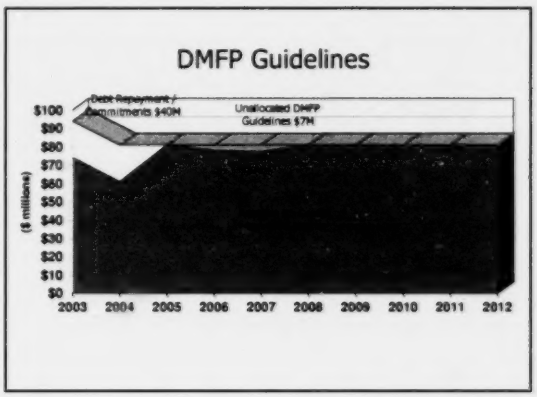
- Grants (primarily Provincial Fuel Tax Funding);
- Federal Infrastructure Program; and
- Developer / Partnership funding.

Overall, funding is projected to decrease by 6% over the 10-year period primarily as a result of the completion of the Federal Infrastructure Program in 2006. Funding for key sources, Grants and General Financing, do not grow over the period, further eroding the City's ability to deal with the infrastructure gap.

To deal with the problem, the City is looking at strategies to optimize capital investment and grow internal and external funding sources over time.

❑ Available Funding (Pay-As-You-Go)

Pay-as-you-go funding is a major component of the City's funding pool and represents tax revenues set aside for capital investment. As part of the City's Debt Management Fiscal Policy (DMFP) established in the mid 1980's, guidelines have been developed for the use of tax revenues for debt repayment and capital expenditures. The following chart presents the funding made available over the next ten years.



Starting in 2004, the DMFP guidelines allow for $81 million in pay-as-you-go funding per year over the planning period. In using these funds, the first priority is funding tax-supported debt servicing, which is planned to be completed by 2004. The second priority is funding capital expenditures.

In 2006-2007, $7 million is not allocated to debt repayment or capital expenditures as part of the original DMFP guideline. The funding will be allocated as part of the 2003-7 Capital Priorities Plan & Budget.

One key observation is that once tax-supported debt is repaid in 2004, the City's pay-as-you-go funding pool will not grow. When the DMFP guidelines were established it did not allow for inflation once debt was completely repaid.

❑ Current debt practice

The City's debt practices are also governed by the Debt Management Fiscal Policy. This policy allows for self-liquidating debt to be used under the following conditions:

- Utility capital expenditures;
- local improvements; and
- self-sustaining operations and partnership arrangements.

The City has not issued new debt since 1987 for tax-supported capital expenditures. As part of this year's LRFP, a proposal for the use of strategic debt is being proposed to assist in dealing with the infrastructure gap.

4.4 Options to Close the Capital Gap

In developing strategies in closing the infrastructure gap, two perspectives were considered: minimizing costs and maximizing funding. The following outlines the key initiatives either underway or being proposed as part of this year's LRFP:

- *Optimizing Capital Investment*
  The key initiative underway that deals with efficiently and effectively investing in infrastructure is the Infrastructure Strategy. The initiative looks at identifying the areas of required investment and establishing policy and project management tools for investing in future infrastructure.

- *Increasing Funding*
  A number of initiatives are underway which focus on new funding sources for capital expenditures. Some of the key strategies are: Equitable Relations / Urban Strategy; Infrastructure Strategy; and Partnership funding.

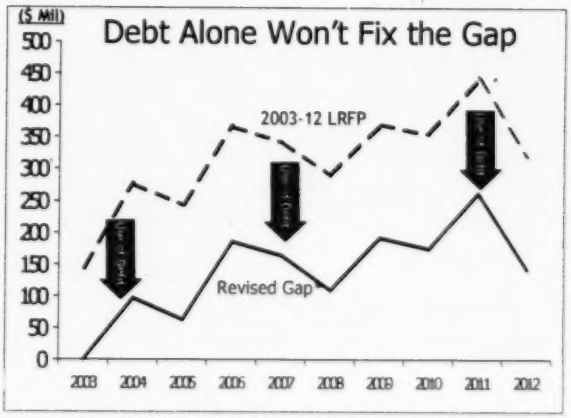
Refer to Appendix III for more information.

❑ Strategic Use of Debt

As discussed previously, the City's ability to fund capital expenditures in the future worsens as infrastructure needs continue to increase and funding remains constant over time. The City is considering the strategic use of debt as one financial tool in dealing with large unfunded infrastructure needs.

If used wisely, debt is a financial tool that can be used to help foster economic growth and meet the demands of large and expensive infrastructure. It can be viewed as an investment in sustaining and enriching the quality of life for the Citizens of Edmonton. It also helps in matching costs of infrastructure to those who benefit in the future.

One point that needs to be made very clear, is that debt will not resolve the City's infrastructure gap. As can be seen in the chart below, using the City's maximum borrowing capability over the next ten years, debt would only solve 50% of the problem while at the same time eliminate the City's financial flexibility. Administration would not consider this prudent.



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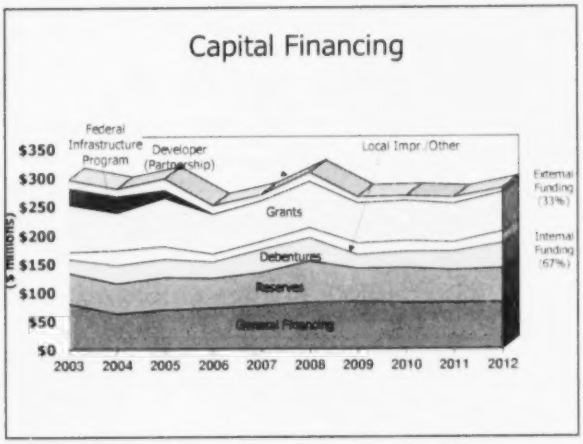

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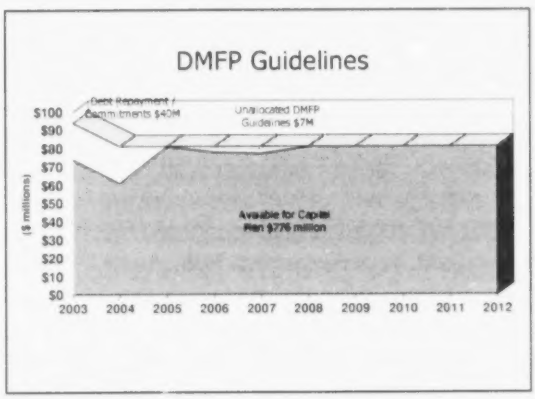

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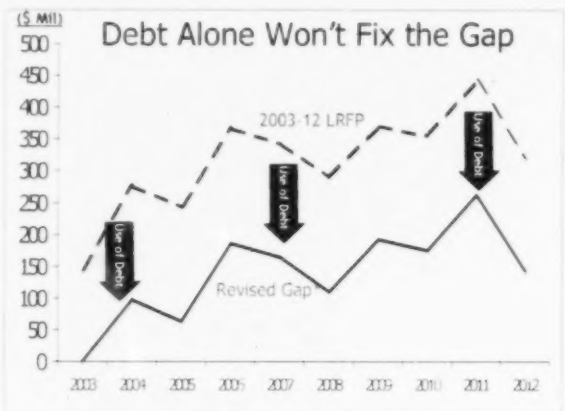


*Assuming full use of available Provincial Debt Room of $1.8 Billion

❑ Consideration for Borrowing

Three key factors need to be considered for borrowing:

1. How much could the City borrow?
2. How would the City pay for the annual debt charges?
3. When would we want to consider debt?

The following answers these questions.

How much could the City borrow?

The City of Edmonton must satisfy three key benchmarks when borrowing:

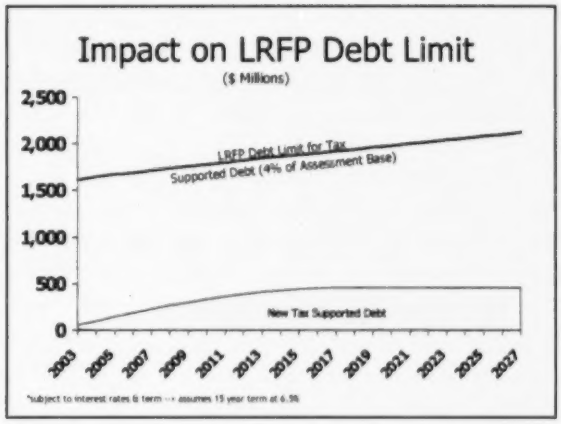
- Legal limit from the Municipal Government Act (maximum debt $2.2 B in 2003);
- Bond rating agencies guideline (maximum debt $2.0 B in 2003); and
- Current LRFP Policy (maximum debt $1.6 B in 2003).

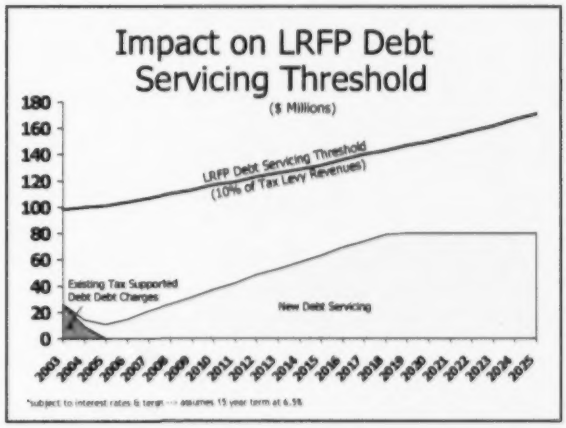
The most constraining benchmark is the City's Policy. In establishing an annual debt-borrowing envelope for the future, consideration was given to ensuring the City has:

- the financial flexibility for unexpected events; and
- the ability to generate revenues to pay for annual debt servicing.

Based on this approach the City could issue $50 million in tax-supported debt annually (subject to interest rates and debt term) and still fall within reasonable debt thresholds. As part of the annual budget process, Administration will recommend a 5-year debt envelope for City Council's approval.

The following presents the impact on the City in terms of debt limits and debt servicing thresholds.



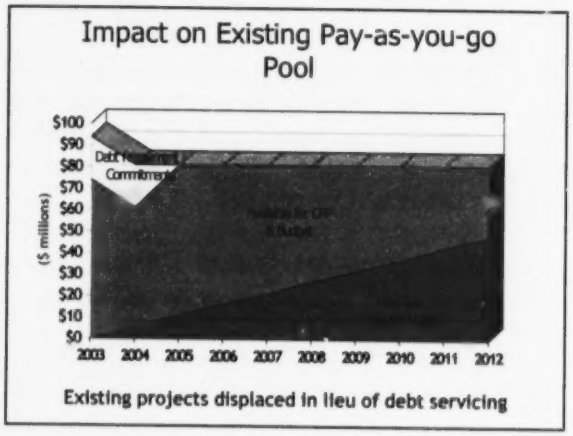


How would the City pay for the annual debt charges?

The City has three potential options to pay for debt charges:

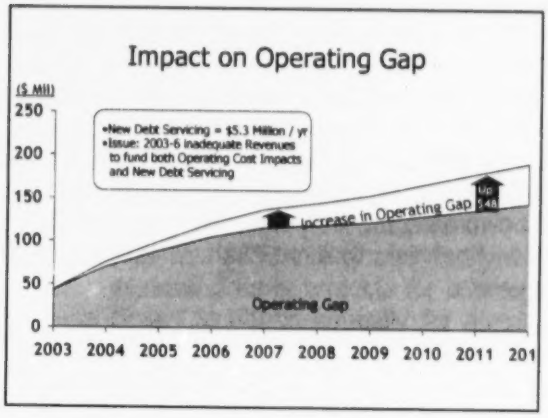
Option 1: Pay-As-You-Go

Use current pay-as-you-go funding included under the Debt Management Fiscal Policy guidelines. Under this option the City would be diverting pay-as-you-go funding already allocated to rehabilitation and replacement projects to pay for debt servicing. This approach compounds the infrastructure gap issue and therefore is not a recommended option.



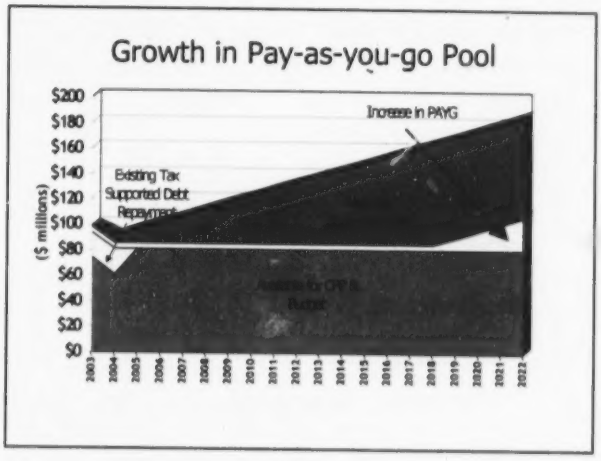
Option 2: Real Assessment Growth Revenues

This option diverts tax revenues generated from growth in new residential and commercial assessments from the operating budget to fund debt servicing. This option increases the operating gap and effectively transfers the problem to the operating areas. For 2003-6 the operating revenues are just sufficient to cover the costs of current services provided by the City.



Option 3: Tax Increase

A tax increase generates new funding for new debt servicing. A 1% tax increase would generate approximately $4.5 million. Under this option a 1% tax increase will cover a majority of the debt servicing costs for a $50 million debt issue. Any remaining balance would need to be found in the operating budget. Once the debt is repaid, funding will be added to the pay-as-you-go pool to rehabilitate and replace the infrastructure in future years. This is illustrated in the chart below.



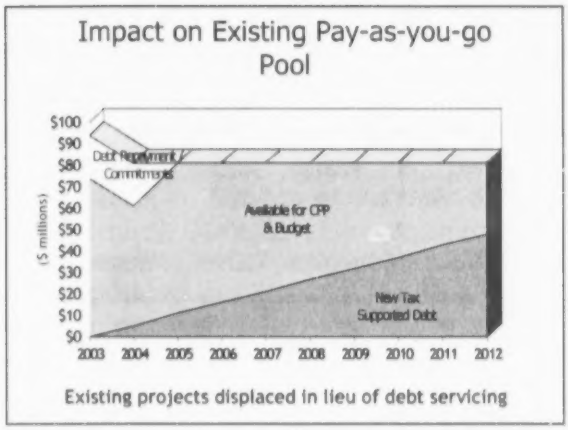
Since debt servicing is not due for payment until the year following debt issue, a tax increase would not be required until the next year (i.e. borrowing in 2003 would require repayment in 2004). However, under this option Administration would recommend that the tax increase be implemented in the year of debt issue. This approach helps in generating one-time annual pay-as-you-go injections of approximately $4.5 million to help deal with back-logged rehabilitation and replacement projects.

When would we want to consider debt?

Four key principles are proposed for applying debt to capital projects.

Consider Capital Projects that:

- support the priorities of Plan Edmonton, the Corporate Business Plan and approved Departmental Plans;
- are larger dollar value projects with long asset lives;
- have a demonstrable benefit considering return on investment, infrastructure failure risk, community impact and/or leverage of partnership funding; and,



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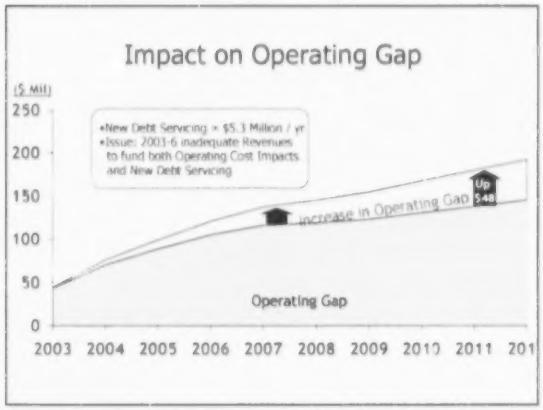

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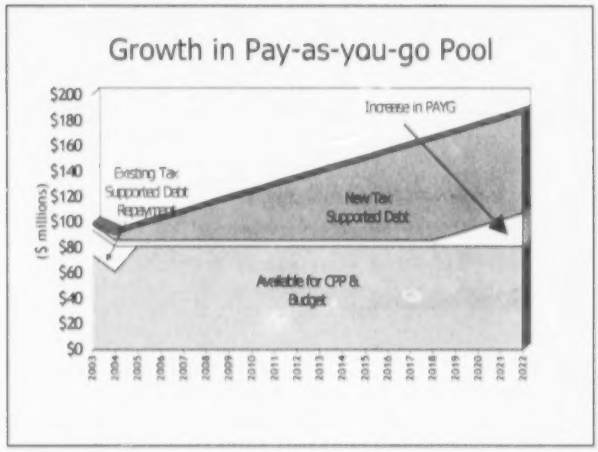

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- support the priorities of Plan Edmonton, the Corporate Business Plan and approved Departmental Plans;
- are larger dollar value projects with long asset lives;
- have a demonstrable benefit considering return on investment, infrastructure failure risk, community impact and/or leverage of partnership funding; and,

- promote economic development and improved quality of life.

On an annual basis, a list of priority capital projects will be developed as part of the budget process for City Council's review and approval.

5. Conclusions and Recommendations

❑ Conclusions

A number of key observations can be made from the information presented in this report. Certainly, the operating gap is of a significant magnitude, but the City has been making good progress over time in reducing it. Some of the key reasons are implementation of efficiency savings, new tax revenues from strong real assessment growth, inflationary tax increases and increasing EPCOR dividends.

The projections also indicate that funding levels will be sufficient to maintain the 2002 service level in the future, however, demands for new or expanded services cannot be funded until 2007. Notwithstanding that, many of these service demands are not discretionary.

The City should continue the tactics within its purview that have demonstrated their effectiveness in mitigating the gap, such as the inflationary tax strategy and the creation of flexibility in the controllable budget through savings and alternative revenues. These will not only allow current services to be maintained, but also permit the City to begin to address critical new service needs.

The City of Edmonton is not unique in its fiscal situation. Municipalities across the country are experiencing financial hardships and this is being increasingly recognized by the public and by other orders of government. It is also being recognized that municipalities play a key role in generating economic growth and in supporting the quality of life Canadians expect. Collaborative solutions with other orders of government are required and many are already underway, including those between the City of Edmonton and the Province of Alberta. Working together, a viable future for Canada's municipalities can be ensured.

Projections indicate that the current underfunding of infrastructure rehabilitation and replacement projects – like replacing roads and sewers in older neighbourhoods – will worsen. In addition, the City will be unable to address a significant portion of capital projects needed to deal with growth of the City, including new roads, interchanges, police and fire stations, libraries and recreation facilities.

A major factor contributing to the underfunding of infrastructure is the lack of growth in capital revenues. In future years, City tax levy funding for capital investment is set at $81 million per year as prescribed by the City's Debt Management Fiscal Policy and no new tax-supported borrowing is allowed. Provincial fuel tax funding – the other major source of capital funds – is expected to essentially remain flat over the planning horizon as fuel efficiency gains offset volume growth. One method of helping to address the backlog of projects and moving ahead with growth is to consider the limited, strategic use of debt. Use of debt alone could not eliminate the infrastructure gap, but it is a valid financial tool to help deal with the demands.

❑ Recommendations

The following guidelines for preparation of the 2003 Budget and 2003-05 business plans are recommended to City Council:

1. In addition to increases from real assessment growth, tax revenues will increase each year at the rate of CPI for Edmonton plus 1% to address the capital gap. For planning purposes, the figures are: 2003 = 2.5% CPI + 1%; 2004 = 2.0% CPI + 1%; and, 2005 = 2.0% CPI + 1%.

2. The 2003 Operating Budget will be presented to Council at the estimated Edmonton CPI level, showing the reductions necessary to achieve a 0% tax increase. This will give Council specific options to consider if a lower than CPI tax increase is desirable.

3. Available corporate funds will be allocated between Civic Programs and Authorities based on their relative shares of the tax levy. This recommendation allows for cost increases due to inflation to be funded and ensures a fair and equitable process for allocating the balance of corporate funds.

4. The 2003 Capital Budget and five year Capital Plan will include a maximum of $50 million in annual tax-supported debt financing (total $250 million over five years); recommended priority projects for borrowing to be clearly identified annually for approval by Council.

5. The Expenditure and Revenue Review Project will target to generate $10 million, with funds retained by the originating program. Use of these funds to be clearly identified to Council.

Appendicies

I. Setting the Stage

I.i Economic Environment for Edmonton

In setting the stage for the development of the Long-Range Financial Plan for Edmonton, an understanding of Edmonton's historic and projected economic environment is essential. Edmonton's future is bright. The City continues to remain competitive in attracting businesses and is expected to have sustained economic growth over the next five years. The section immediately following provides an overview of the national, provincial and Edmonton local economic trends and forecasts, based mainly on the 2002 – 2007 Edmonton Socio-Economic Outlook prepared by the City Forecast Committee in March 2002. The following section on Affordability for Business confirms Edmonton's reputation in having a high quality of life and being a good place to live and do business.

❑ Economic Forecast

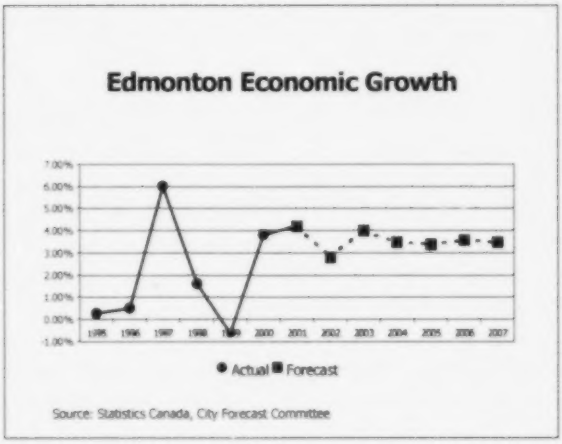
National and Provincial Economic Profile

With the weakening of the U. S. and other major world economies last year, Canada's economic growth slowed to 1.5% in 2001 from a robust 4.4% increase in 2000. This year will see a slow recovery as a result of significant monetary and fiscal measures put in place by the federal government as well as the rebound of the U.S. economy in the last quarter of 2001. The Canadian economy is forecast to grow by 2% in 2002 and by an annual average of around 3.3% in the 2003 – 07 period.

The Alberta economy remained strong in 2000 and 2001. High energy prices, increased energy investments, strong employment and high consumer confidence resulted in a 5.4% growth in the provincial economy in 2000. In 2001, Alberta's growth continued, albeit at a slower pace of 4.0%, despite the U.S. recession, the drop in energy prices and cuts in government spending in the last quarter. Alberta's economic growth is forecasted to slow further to 2.5% this year due to lower energy prices, reduced government spending and the lag effect of last year's U.S. and worldwide economic slowdown. The provincial economy is expected to rebound at about an average rate of 3.5% per year during 2003 to 2007.

Edmonton's Overall Economic Outlook

Edmonton's economic environment closely mirrors that of Alberta. Over the next five years, positive indicators like low inflation, at around 2.0%, a steady increase in population and a strong construction sector will keep the Edmonton economy moving in the right direction.

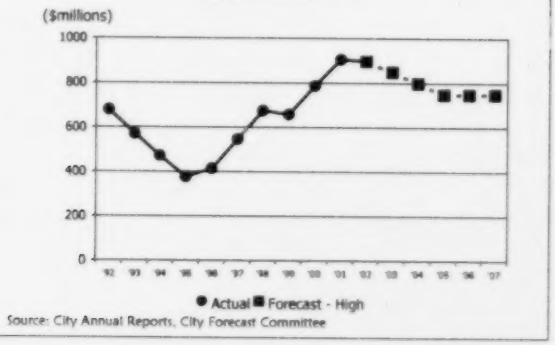


The Edmonton regional economy is estimated to have grown by 4.2% in 2001, following a strong growth rate of 3.8% in 2000. The solid performance of the economy is expected to continue with a forecasted 2.8% increase this year and increases around the 3.5% mark over the 2003 – 2007 period.

The Edmonton region's economy continues to benefit from the economic spin-off from investments in Northern Alberta. In December 2001, Economic Development Edmonton estimated the proposed, announced and recently completed or under construction major projects in Northern Alberta at around $65

billion, which is 78% of the total value of major projects in Alberta. These projects will help increase Edmonton employment opportunities and maintain positive migration over the next five years.

Edmonton Value of Building Permits Applied For



Source: City Annual Reports, City Forecast Committee

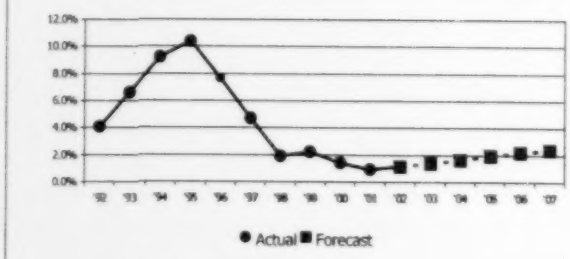
The significant increase in the total value of building permits since the mid-1990s continued into 2001. Led by strong residential construction and institutional development, the value of building permits in the City rose to $904.5 million in 2001. This year, the total value of building permits is expected to remain high at around the $900 million level and will continue within the $750-$850 million range per year over 2003 to 2007.

Number of Housing Starts in Edmonton

Source: Canada Mortgage & Housing Corporation, City Forecast Committee

The City's housing starts rose dramatically in 2001 with single family residential units increasing to 2,815 (31.7%) from 2,137 in 2000. Record low mortgage rates, increased net migration and high disposable income contributed to this exceptionally strong performance last year. In 2002, this rising trend is expected to continue. The slight moderating trend of single family housing starts over the next four years generally depicts the direction of residential construction activity in the City.

Edmonton Vacancy Rate



Source: Canada Mortgage & Housing Corporation, City Forecast Committee

The apartment vacancy rate in the Edmonton Region dipped to 0.9% last year, the lowest since 1978. Canada Mortgage and Housing Corporation's recent rental market report indicates that despite an increase in construction of rental units last year, the average rent still rose by 9.3% in 2001. Apartment vacancy rates are expected to increase but remain low at around the 2.0% level over the next five years.

❑ Affordability for Business

Edmonton continues to maintain its reputation of being a good place to live, work and play. Major organizations that do national and international city comparisons have rated Edmonton highly in terms of economic expansion, low cost of doing business, as well as having a high quality of life. Below are some study results.

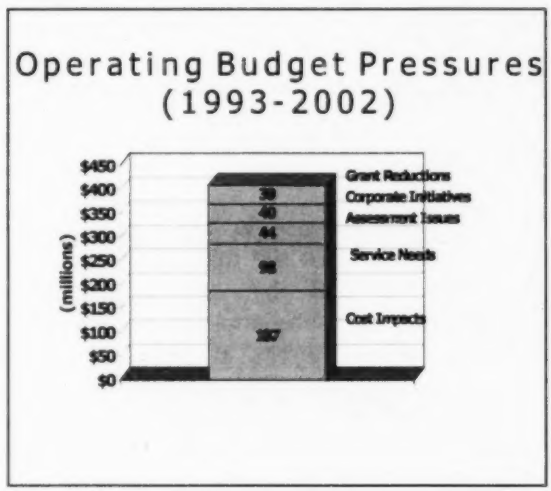
- Early this year, **KPMG Consulting** released a comprehensive guide (Competitive Alternatives) for comparing business costs in North America, Europe and Japan. Among 85 cities throughout Austria, France, Italy, Germany, the Netherlands, the United Kingdom, Canada, the United States and Japan, Edmonton ranked as having the lowest cost of doing business. The basis of comparison is the after-tax cost of startup and operation for several business types, over a 10-year time horizon. The KPMG study attributed Edmonton's low business cost advantage to low land costs, low taxes, cheap natural gas and a low Canadian dollar.
- **Conference Board of Canada's** recent economic projections show the Edmonton Region as leading the country in economic growth in 2002. The Board predicts that this booming economy will draw skilled workers to the region, thus further expanding the Region's housing, service and retail sectors.
- The **University of Alberta** has been chosen as the site of the **National Institute of Nanotechnology,** Canada's $200-million national centre of excellence. Nanotechnology refers to microscopic next-generation technology that utilizes miniature components to power computers, telecommunications devices and other applications to replace present day machines and system drivers. The Institute will further add to the University's international reputation in research and innovation, thus, placing Edmonton as a favoured location for companies involved in scientific research and technology.
- The millennium edition of the **Places Rated Almanac** rated Edmonton as one of the top three places to live in Canada based on living costs, transportation, health, job outlook, education, the arts, and recreation.
- A July 2001 survey of global office rents by **CB Richard Ellis** found Edmonton to have the lowest occupancy costs in Canada and in North America.

I.ii History of City Budget

❑ History of the Operating Budget

In preparing for the future, it is important to know the historic tax revenue demands on the operating budget as well as the strategies used in balancing the budget.

Cost Pressures. During the past ten years, several factors have placed extensive demands on City revenues as noted in the following chart.



Over 40 percent of the demands relate to cost impacts, or inflation on expenditures for delivering civic services. This includes the cost of staff as well as goods and services purchased by the City.

As the city has grown there has been increasing pressure to add new services and expand existing services. Such service needs account for nearly one quarter of the total demands on city operating revenues. Almost 40% of the service needs relate to 2001 and 2002.

The downtown property reassessment in 1997 ($29 million) and the 1999 move to market value assessment ($15 million) combined to add $44 million of cost pressures.

There have also been a number of major corporate initiatives that have required funding, such as the 2001 Tax Shielding Program ($12 million), civic elections, the 2001 World Championships in Athletics and Downtown Plan Initiatives.

Lastly, the loss of $36 million in provincial grants and $3 million in federal grants in the mid-1990's caused considerable financial issues for the City, as well.

Offsetting Strategies. Several strategies have been implemented to deal with the cost pressures noted above. The following chart summarizes the major approaches undertaken.

Increases in taxes and cost savings each account for approximately 20% of the funds used to offset the cost pressures noted above. Tax rate increases were held to zero from 1992-1996. Increases in taxes from 1999 to 2002 were the first increases since 1992 that were used to address the need for new services. Cost savings or efficiencies of $80 million have been achieved over the last ten years.

Other Revenue increases, comprised of departmental user fees and corporate revenues, (e.g. investment earnings and franchise fees) accounted for $74 million.

Reserves and surplus funds, where appropriate, were used to help balance off increased demands over the last ten years. Some examples are: the use of Alberta Municipal Finance Corporation surplus distribution in 2001 to fund the tax shielding program; the use of EdTel Endowment Fund excess earnings of $8.1 million as a one-time bridge from 1998 to 1999; 1998 Surplus appropriation of $4.9 million used in the 1999 Budget and $4.1 million to fund the Capital City Downtown Plan Housing Reinvestment Grants.

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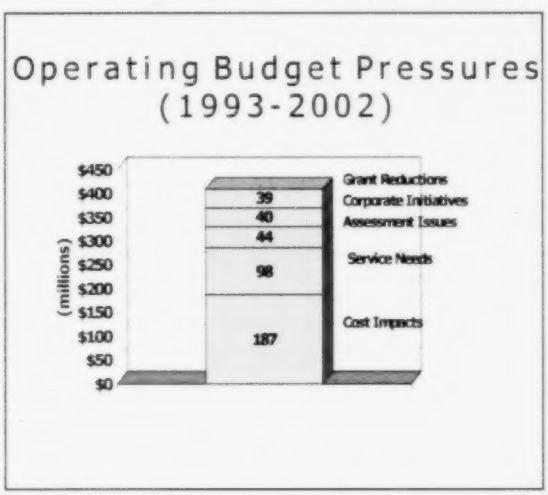

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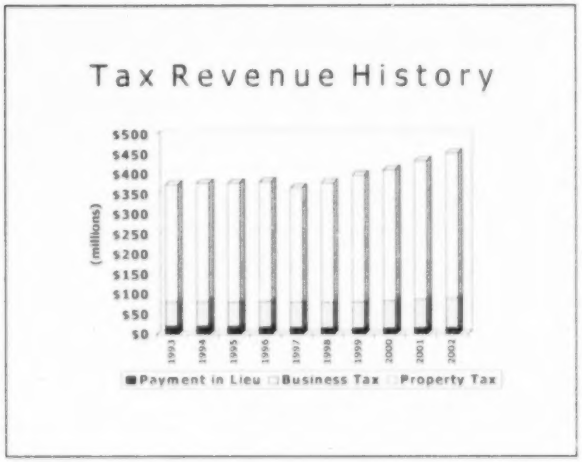
Some service reductions have been necessary but they have been targeted to areas with the least impact on citizens.

A combination of property tax rate increases and reserves was used to offset the property tax revenue loss due to the downtown reassessment in 1997 and 1998 and the conversion to market value assessment in 1999. No increased revenue for new services resulted from the 1997 and 1998 changes.

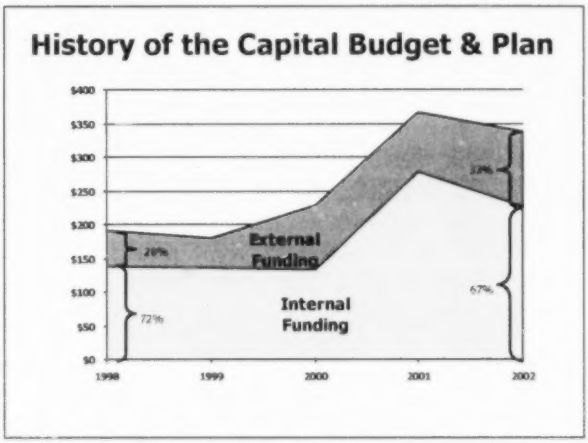
Finally, the City has benefited from large increases in EPCOR dividends over the last two years. EPCOR made an additional dividend contribution of $30 million between 2001 and 2002.

❑ Tax Revenue History



❑ History of the Capital Budget and Plan

To put the capital plan into perspective, the chart below provides a five-year history of capital expenditures.



The funded expenditures are categorized into internal and external funding sources. Overall, total funding has grown by 75% since 1998. The mix of external versus internal funding has shifted more to external primarily as a result of increases in Provincial funding.

Internal funding spiked in 2001 as a result of a debenture issue to purchase the waste composter facility in northeast Edmonton. Although the increase in funding is seen as a positive step forward in dealing with the municipal infrastructure, it is still insufficient to deal with the demands municipalities are encountering.

❑ Financial Stabilization Reserve

The City of Edmonton has 35 reserves within General Government for a number of specific purposes. Reserves contain amounts set aside from surplus to fund future operating or capital expenditures, deal with unusual or one-time events, smooth the need for radical fluctuations to tax levy and support initiatives for City planning processes.

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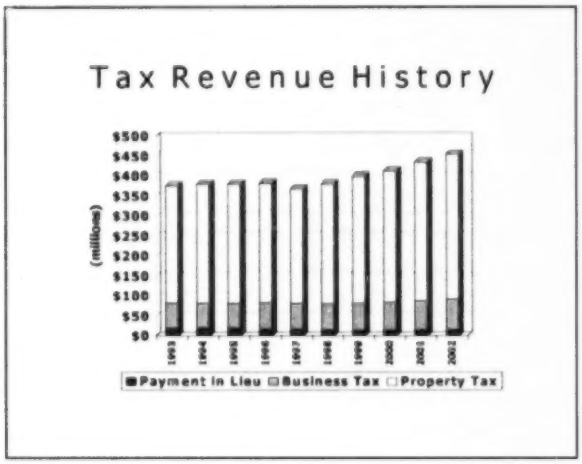

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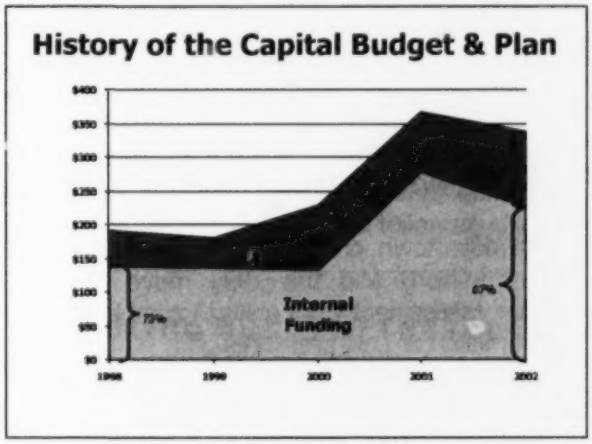

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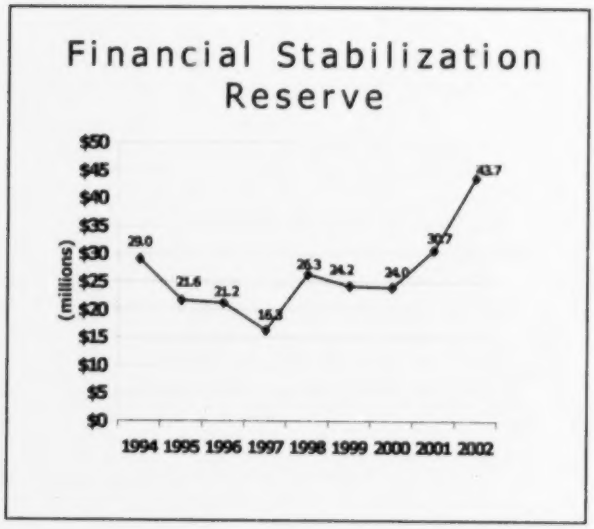


In 1997, a Financial Stabilization Reserve was established from the previous unappropriated General Government surplus to protect the City against unforeseen operating costs, and to maintain stable taxes and other revenue sources. City Policy C213 (Financial Stabilization Reserve Policy) dictates that 50% of any year-end operating budget surplus is to be directed to the reserve until the target balance is achieved.

The target balance is based on 7% of operating expenditures ($67 million based on 2001 results). As the preceding chart depicts, the City has made significant progress in building the Financial Stabilization Reserve over the past several years, with the reserve now more than half of the target value.

I.iii Value for Municipal Taxes

❑ What the average Edmonton household spends

Each year Statistics Canada conducts a survey of household spending across Canada. Previous surveys indicated that in Edmonton, municipal property taxes make up a small portion of an average household's annual spending.

Survey of Household Spending in the City of Edmonton – 2000
(Statistics Canada, December 12, 2001)

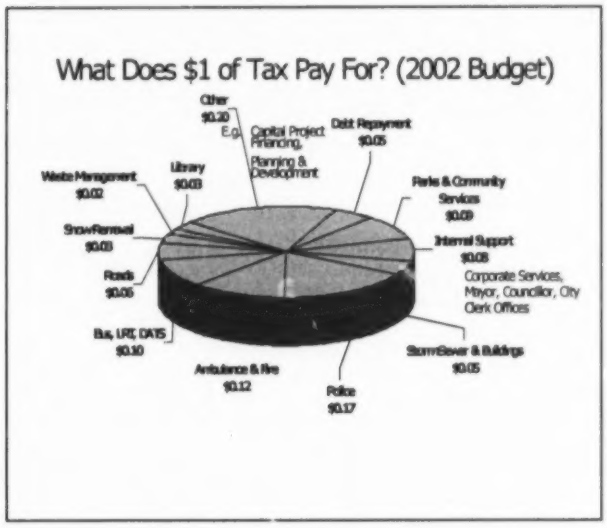
	$	
Shelter	10,168	15.3%
Federal income taxes*	9,793	14.7%
Transportation	9,271	13.9%
Food	6,955	10.5%
Provincial income taxes*	4,309	6.5%
Recreation	4,039	6.1%
Personal insurance payments and pension contributions	3,666	5.5%
Clothing	2,965	4.5%
Household operation	2,916	4.4%
Health care	1,969	3.0%
Household furnishings and equipment	1,968	3.0%
Gifts of money and contributions	1,567	2.3%
Education	1,441	2.2%
Tobacco products and alcoholic beverages	1,270	1.9%
Miscellaneous expenditures	1,138	1.7%
Personal care	858	1.3%
Property taxes	**784**	**1.2%**
School Taxes	575	0.9%
Games of chance	416	0.6%
Reading materials and other printed matter	335	0.5%
TOTAL	**66,403**	**100%**

*Includes tax refunds. Provincial income tax based on a 44% Alberta income tax rate.

The latest survey results above show that municipal property taxes constituted 1.2% of the annual spending for the average Edmonton household. The largest component of household spending was for shelter (15.3%), followed by federal income taxes (14.7%). Other large household expenditures were for transportation (13.9%) and food (10.5%). Provincial income taxes accounted for 6.5% of household expenditures.

❑ What $1.00 of municipal taxes buys

As indicated above, 1.2% of average Edmonton household spending goes to municipal taxes. Municipal taxes fund a wide array of public services which citizens receive every day. The chart below shows the services $1.00 of municipal taxes provides.

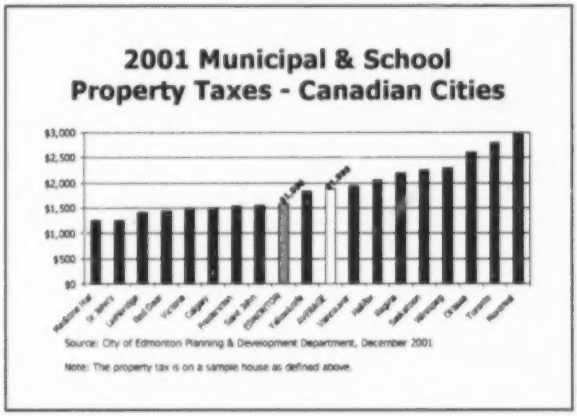

What Does $1 of Tax Pay For? (2002 Budget)
Other $0.20
E.g. Capital Project Financing, Planning & Development
Debt Repayment $0.05
Waste Management $0.02
Library $0.03
Parks & Community Services $0.09
Snow Removal $0.03
Internal Support $0.08
Roads $0.06
Corporate Services, Mayor, Councillor, City Clerk Offices
Bus, LRT, DATS $0.10
Storm Sewer & Buildings $0.05
Ambulance & Fire $0.12
Police $0.17

❑ Competitive ranking of our taxes

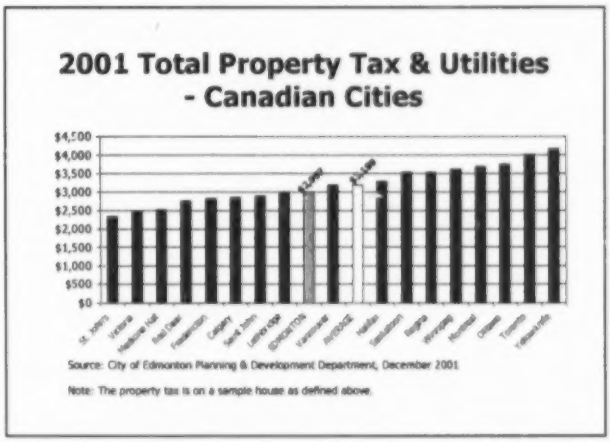
During the last number of years, the City of Edmonton Planning & Development Department has conducted an annual inter-municipal survey to gauge the relative municipal tax burden on local taxpayers. Municipal and school property taxes and utility charges have been compared.

In 2001, the survey used a sample house defined as: a 25 to 30 year old detached 3-bedroom bungalow with a main floor area of 1,200 square feet, finished full basement and a double car garage on a 6,000 square foot lot.

Edmonton's total municipal and school property tax of $1,596 for the sample single-detached house ranked 9th lowest and was $292 (15.5%) lower than the 18 Canadian cities' average of $1,888. Edmonton's total property tax was slightly higher compared to Calgary's total tax of $1,476.

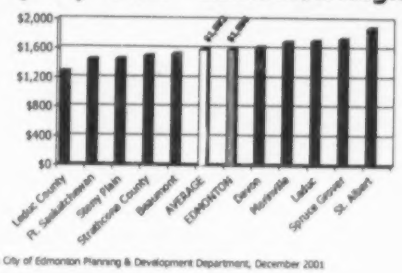


Edmonton's combined 2001 total property tax (municipal and school) and utility charges also ranked 9th lowest at $2,997. It was $192 (6%) lower than the average for 18 major cities. Calgary was 6th lowest at $2,840.



Among the 11 surrounding municipalities and jurisdictions in the Edmonton Region, Edmonton's total municipal and school taxes on the sample house ranked in the middle of the group. It was slightly higher than the Edmonton Region average of $1,582.

2001 Municipal & School Property Taxes - Edmonton Region

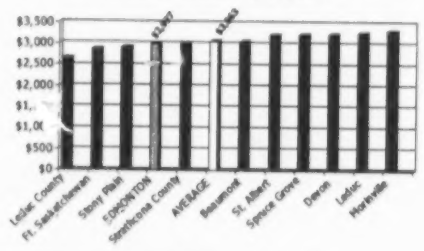


Source: City of Edmonton Planning & Development Department, December 2001

Note: The property tax is on a sample house as defined above.

Edmonton's combined property taxes and utility charges ranked favourably relative to the surrounding areas. Edmonton's total of $2,997 was 4th lowest and $66 (2.2%) lower than the average for the 11 municipalities/jurisdictions surveyed.

2001 Total Property Tax & Utilities - Edmonton Region



Source: City of Edmonton Planning & Development Department, December 2001

Note: The property tax is on a sample house as defined above.

Edmonton generally ranked in the middle of 18 major Canadian cities and 11 surrounding jurisdictions. Overall, Edmonton's tax burden was slightly better than the average of the municipalities surveyed.

II. Perspectives on Municipal Finances

It has always been recognized that municipalities, being the level of government closest to the people, play a pivotal role in ensuring the well-being of their citizens. The performance of this key role has become increasingly difficult in recent years. In growing urban centres like Edmonton, the increase in financial capacity to deliver services is quickly being outpaced by rising municipal service needs.

Edmonton is not unique in the types of issues being faced. Many cities have to contend with rapid growth, ageing infrastructure, limited revenue capabilities and downloading of services from other orders of government. This situation has been widely acknowledged as evidenced by several papers written recently to address this issue. Below are excerpts from some of the major reports.

Canada's Urban Strategy – A Vision for the 21st Century

In May 2001, the Prime Minister created the Caucus Task Force on Urban Issues, with a mandate to develop an urban strategy for Canada through consultations with urban regions throughout the country. As indicated by the Task Force preliminary report released in April 2002,

> "Our consultations painted a picture of urban Canada that revealed a proud nation struggling with significant growth and an ageing infrastructure. ... As the economic engines of the country, it is critical that our urban regions sustain their levels of growth to contribute to Canada's high quality of life."

The report acknowledges that Canada's cities are in crisis.

> "There is mounting evidence that our cities are ailing due to deteriorating infrastructure, declining air and water

quality, traffic gridlock, homelessness, growing income polarization and marginalization, and budget crises. With few ways to generate revenue other than through property taxes, urban regions are finding it increasingly difficult to provide basic services and make repairs to infrastructure."

TD Economics – Report on Canadian Cities

In 2001 and early 2002, Toronto Dominion Economics undertook a study of Canadian cities. Their report, released in April 2002, recognizes that Canadian cities are "long on urban challenges, short on funds". The report indicates that,

"In many cities, the infrastructure is eroding. Social housing, water systems, sewers, roads and public transit systems all require re-investment, but cash-strapped municipalities are in no position to deliver. Between 1995 and 2001, local government revenues edged up by only 14 per cent – a fraction of the gains of 38 per cent and 30 per cent reaped at the federal and provincial levels. This has left cities singularly ill-equipped to cope with the responsibilities being downloaded to them."

The TD report also suggests that municipalities need access to new sources of funds. Several options are mentioned, including giving Canadian cities greater autonomy in raising revenues, commensurate to greater responsibilities.

"What cities really need is access to an ongoing revenue source. ... A better solution is for the federal and provincial governments to commit to reducing taxes to create room for municipalities – in effect, providing a tax point transfer. ... Federal and provincial governments have downloaded programs and services to municipalities, so they would be doing less with less, while the latter would be doing more with more."

Canada West Foundation

In October 2001, the Canada West Foundation released a 10-year study of the finances of six major western Canadian cities, including Edmonton. The study investigated how western Canadian cities had coped in the 1990s, given that all had experienced population growth, increased responsibilities and cutbacks in senior government grants. One of the key findings of the study indicates that,

"City revenues have not grown to match urban growth. A wide gulf exists between the growth potential of city taxes and senior government taxes. Unlike provincial and federal taxes, municipal taxes do not have built-in mechanisms that respond to economic growth and increases in urban populations. As a result, cities pay for growth and provincial and federal governments reap the benefits."

To help address this fiscal challenge, Canada West recommends:

"Provincial and federal governments need to work with cities to find new municipal funding mechanisms. ... Cities require new fiscal tools to ensure that urban services and infrastructure keep pace with urban growth. This will require considerable shifts in provincial and federal attitudes toward the role and status of municipal governments."

The acknowledgement of issues, as shown in the above studies, is an important first step in finding solutions. As indicated by the Federal Minister of Finance, Hon. Paul Martin, " Cities have been given great responsibilities. .... They have to have the resources to deal with it."

III. City Initiatives Underway

III.i Equitable Relationship

There is increasing recognition that municipalities in Canada are facing serious funding issues and that all levels of government need to work together on solutions. The City of Edmonton has two initiatives currently underway in connection with the Alberta Government.

The *Equitable Relationship* project was initially undertaken as part of a broad exercise, called *Closing the Gap*, which dealt with ways to address the City's financial issues. The three components of *Closing the Gap* included Program and Service Level Reviews, Toward An Equitable Municipal-Provincial Relationship as well as Expenditure and Revenue Reviews. On February 20, 2002, City Council passed a motion to combine elements of the Program and Service Reviews into the Toward An Equitable Municipal-Provincial Relationship project. The consolidation yielded the *Equitable Relationship* project. The Expenditure and Revenue Review component has continued as originally envisioned.

The goal of the *Equitable Relationship* project is to establish an ongoing, predictable relationship between the City of Edmonton and the Province of Alberta. Both orders of government need to clearly define their respective roles and responsibilities in terms of the most cost effective, efficient and accountable delivery of local services and programs. In the process, the City hopes to reduce funding inequities and its dependency on property tax and identify new, long-term sources of revenue.

The other related City initiative underway is the *Urban Strategy,* which aims to provide input to the provincial Financial Management Commission and the Minister's Provincial Municipal Council on Roles, Responsibilities and Resources. The Financial Management Commission will review Alberta's fiscal framework and make recommendations for future policies to the Minister of Finance. Its report is due by the end of June 2002. Edmonton and Calgary were invited to make presentations to the Commission. A common presentation was developed and provided to the Commission in mid-May. The Minister's Provincial Municipal Council on Roles, Responsibilities and Resources was created in November 2001 with the objective of forging a stronger partnership between the province and municipalities in Alberta. Administration is continuing to provide input to this Council.

III.ii Infrastructure Strategy

The City of Edmonton's Infrastructure Strategy represents a strategic approach to ensuring the City's infrastructure is in good state of repair and adequate now and in the future to support the services provided to the Citizens of Edmonton. This strategy addresses the issue of optimizing investment in infrastructure through the assessment of its existing inventory and development of policies and tools for more effective investment decisions.

The key objective of the strategy is to address the following questions:

- What are the types and quantity of infrastructure we own?
- How much is it worth (replacement cost)?
- What is the state and condition of the infrastructure?
- What needs to be done to maintain and replace the existing infrastructure, and support growth and economic development. How much will it cost?
- Where are the risks of not adequately investing in our infrastructure?

Answering the above questions will help the City in targeting the limited amount of available funding to the highest priority areas.

❑ Progress of Infrastructure Strategy

The 2000 *Update of Infrastructure Inventory and Investment Needs* outlined a three-year implementation plan. Progress to date on some of the key initiatives includes:

- A consistent ranking system has been developed to rate the condition of the existing infrastructure.
- A life cycle costing and risk assessment methodology was developed and will be tested in a pilot application in 2002-3.
- Infrastructure issues have been and will continue to be integrated into major corporate initiatives.
- An Infrastructure Technical Advisory Committee (ITAC) comprised of representatives from twenty external organizations was established to provided advice on infrastructure management initiatives.
- The Federation of Canadian Municipalities, in cooperation with the National Research Council Canada, is in the process of developing a National Guide to Sustainable Municipal Infrastructure. Three City staff are actively involved in the Technical Committees to help shape the development of the National Guide. The City will continue to provide leadership and will benefit accordingly by receiving first hand knowledge of best practices that will result in the development of the National Guide.
- The City will continue to explore new funding approaches and strategies to address growing infrastructure needs and explore financial opportunities with other orders of government.

Administration will be providing City Council with a more detailed update on the Infrastructure Strategy before the end of 2002.

III.iii Partnerships

One key fundamental strategy that the City will need to further develop is Partnership funding arrangements. As the infrastructure gap continues to outpace available funding, it will become more and more important to be innovative in acquiring partners to complete capital projects.

Currently, the City's Community Services Department has been active in seeking and securing partners to maintain and grow their infrastructure (e.g. Playgrounds, Parks, Arenas, and Attractions - Fort Edmonton). Approximately 55% of the funded 10-year expenditures are financed through partners.

Other partnership strategies underway include: Edmonton 2004 Legacy Project (Churchill Square Redevelopment), South LRT from Health Sciences to Heritage and Shaw Conference Centre Expansion of Hall D, all seeking 67% partner funding.

In addition to the previous strategies underway, the Infrastructure Strategy also includes an initiative that looks at the issue of cost sharing new development needs. It fundamentally asks the question of who should pay for the cost for developing infrastructure.

Administration will continue to investigate and pursue Partnership arrangements as opportunities arise.

IV. Alternative Revenue

A city's capacity to raise revenue is a key determinant of its policy-making process and expenditure programs. If a city has access to stable, predictable sources of revenue that are responsive to local economic growth, it will be able to plan and implement programs in an effective manner. However, if its revenue base is restricted or unresponsive to growth, it is forced to pursue short-term, reactive policies and programs.

The City of Edmonton, like most major cities across the country, works within a relatively narrow financial framework. In Canada, provincial legislation determines the authority cities have to raise revenue and while there are differences across provinces, most Canadian cities are very limited in the ways they can raise revenue to provide local services.

This limitation has become more pronounced as cities have had to deal with the downloading of provincial service mandates, reductions in provincial grant programs, increased demand for local services, and reduced public acceptance of property tax and user fee increases. While these trends affect most cities, those like Edmonton that are experiencing significant growth, are more affected as city revenue sources do not respond to economic expansion, certainly not like provincial and federal government revenue sources do. Growth in provincial and federal revenues consistently outpace growth in municipal revenues.

In order to address the limitations of their revenue bases, Canadian cities often study other jurisdictions that provide their cities with broader access to sources of revenue. General comparisons illustrate that local governments outside of Canada have access to an array of revenue sources that are not or are only marginally available in Canada.

- Many American cities have access to personal and corporate income tax revenue, either directly or through revenue-sharing programs with senior orders of government. Income taxation is generally supported because income is considered a good indicator of an individual's ability to pay. Income taxes are particularly attractive to local governments, as they are very responsive to local economic growth. In many cases, cities have the authority to enact income taxes that can be allocated to either general or dedicated funds.

- Many cities in the United States also benefit from revenue generated through consumption taxes (general sales taxes and excise taxes), again, either directly or through revenue-sharing programs with senior orders of government. American state sales taxes often include a "local option tax" that distributes state-collected revenue to municipalities on a per capita basis. In addition, many cities have local authority to levy sales taxes, either generally or on specific transactions. Like income taxes, consumption taxes generally respond directly to local economic growth and can be dedicated to general or dedicated funds according to local desires. Consumption taxes can and often are applied to specific transactions for specific expenditure programs, for example, hotel and motel room taxes to finance tourism promotion or convention centres; fuel taxes for transportation programs; automobile rental taxes for road programs, etc.)

- The use of debt-financing instruments is far more popular outside of Canada. One of the most common ways for cities to raise funds for capital projects is through bonds and levies. As they require voter support, these instruments are particularly useful in gauging public support for large capital investments. Debt financing also enables a city to amortize the cost of a project over a longer period of time, often reflecting the useful life of the asset created and the benefit created for citizens.

- Federal programs in the United States, Europe and Australia are designed to support cities, most often in the areas of infrastructure, primarily transportation-related, and economic development. The Federation of Canadian Municipalities reports that the federal government in the United States invests approximately 100 times more in urban transportation than the federal government in Canada. American and European national governments also play a

lead role in urban economic development and revitalization programs.

- While Canadian cities employ a range of user fees to finance local services, American and European cities do so on a much broader basis. User fees outside of Canada tend to be more reflective of the cost of providing the service and are generally applied to a greater range of services. Some American cities also differentiate between residents and non-residents in their application of user fees. User fees in the United States account for approximately one-third of cities' revenues.

- Many cities make much more extensive use of public-private partnerships to finance projects than do Canadian cities. This approach involves a number of variations and is project specific. The use of these partnerships is promoted through cities' authority to provide tax abatements, tax exemptions, sales and income tax credits, etc. Corporate sponsorship of city programs is becoming more popular in the United States, most often in the area of education.

Similar to Canada, cities in the United States, Europe and Australia also utilize license fees, franchise fees (gas, electricity, cable, etc.) building and development fees, assessment and subdivision and inspection fees, fines, and utility fees (water, sewage, waste collection and disposal) to finance local expenditure programs.

V. LRFP Policies

On August 20, 1998, City Council approved a Long Range Financial Plan for the City of Edmonton. The financial plan supports the achievement of Council-approved plans, programs, and projects through prudent financial stewardship. The Plan identifies the principles and policies to guide the financial affairs of the City.

The following guiding principles were adopted:

a) Financial Management

Fiscal Autonomy - Ensure municipal responsibilities are aligned with appropriate revenue sources.

Sustainability- - Maintain a balance between operating expenditures and operating revenues on a continuing basis - balance service expectations against the cost of services to citizens.

Program Costing - Enhance Council's policy making ability by providing accurate and timely information on program costs.

Pay-As-You-Go - Reaffirm Council's commitment to maintain the Debt Management Fiscal Policy to pay off tax-supported debt on schedule.

b) Financial Reporting

Good management depends on good information - Assist sound management of the City government by providing accurate and timely information on financial conditions.

c) Operating Revenue

Maintain competitive tax rates over the long term:

- Achieve real revenue growth, stability and diversity while remaining competitive with other municipalities.
- Pursue new revenue sources.
- Guide revenue generation by the following principles:
  - Tax-supported services of general benefit to the community should be paid by all.
  - Increase emphasis on user fees to finance services used by specific individuals or groups.

d) Operating Expenditures

Best value means delivering services in the most cost-effective manner - Strive to be the "best value" provider of municipal services.

e) Capital Improvement Program

Infrastructure is key to economic development:

- Provide basic public facilities and infrastructure and prevent deterioration of the City's public facilities and capital plant in a coherent program.
- Provide stable long term capital funding.
- Include full life-cycle cost provisions; incorporate the full cost of ongoing maintenance and asset replacement in the budget and capital plan.

Plan for the future replacement of assets avoiding the use of debt financing:

- Seek new sources and alternatives for capital funding.
- Ensure new developments pay an appropriate share of new infrastructure costs.

f) Debt Management-Capital Financing

Strive to finance capital projects with Pay-As-You-Go capital funding.

When debt is deemed essential, the preferred type of debt is self-liquidating debt.

When tax-supported debt is deemed essential, the impact of debt servicing on the balance between operating and capital expenditures must be considered.

Reduce the percentage of revenue spent on debt servicing.

Base capital financing decisions on:

- Equity (fairness): Finance over a term consistent with the expected life of a facility.
- Effectiveness: Be positioned to provide a sufficient sum of money when it is needed.
- Efficiency: Minimize the cost of the financing method.

g) Reserves

Maintain an appropriate reserve level as determined by Council.

h) Management

Market Value - Land values and transactions will be recorded at market value.

A summary of specific policies in each area is provided below:

a) Financial Management

1. Seek an equitable relationship with the Provincial Government
2. Balance operating revenues and expenditures; restore reserve levels
3. Adopt program costing and corporate performance measurement
4. Recognize capital and operating interdependency
5. Review LRFP annually
6. Develop three year budget forecast
7. Include expenditure, service, benchmark, capital impacts and actual information in budget
8. Keep Council informed of material variances
9. Deliver services as approved by Council

b) Financial Reporting

1. Provide complete information
2. Ensure information is timely and useful
3. Generate reliable reports
4. Comply with professional standards
5. Prepare an annual report
6. Meet standards of GFOA

c) Operating Revenues

1. Strive for a balanced tax base
2. Maintain competitive taxes and utility rates
3. Increase revenue diversity, including lobbying other levels of government
4. Limit reliance on property taxes
5. Maintain fair, stable, competitive taxes
6. Use a three year planning horizon
7. Increase emphasis on user fees
8. Seek new revenue sources
9. Avoid dependence on one-time revenues

d) Operating Expenditures

1. Strive to be cost efficient and effective
2. Ensure competitive, efficient and effective regulatory framework
3. Collaborate with region and corporate sector
4. Enhance customer service focus
5. Reward cost effective innovation

e) Capital Improvement Program

1. Prepare a five year capital plan
2. Use a one year capital budget
3. Strive toward stable long-term funding
4. Use life-cycle costing
5. Seek long-term grants
6. Seek innovations to minimize capital costs
7. Maximize use of existing assets

f) Debt Management – Capital Financing

1. Seek balance between leaving a legacy of paid – for infrastructure for future generations and financing projects over their useful life so future users contribute to costs as benefits are consumed
2. Eliminate tax-supported debt
3. Observe debt restrictions: limit of 2 times annual income; not for operating shortfalls; not for rehabilitation; total debt not more than 4% of market value assessment
4. Observe debt servicing restrictions: total debt servicing less than 10% of total revenue; eliminate tax-supported debt servicing by 2004
5. Validate debt-servicing limits annually
6. Match debt term to life of asset
7. Conduct risk assessment for partnerships needing self-liquidating debt

g) Reserves

1. Rebuild a contingency reserve of up to 7% of operating expenditures
2. Manage through quarterly reporting to Senior Management Team

h) Land Management

1. Policy to be developed separately by Asset Management and Public Works

Full policy details are available in the original LRFP document, available on request.

Appendix VI New Services and Growth Listing by Program

($000 - Incremental Tax Levy)

Department/Program	Category	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Civic Programs											
Asset Management & Public Works											
Land & Buildings											
G New Facilities/Equipment Maintenance	Infrastructure Maintenance	455	302	634	613	693	253	794	594	605	1,523
G Growth in Leased Space	Physical Inventory Growth	428	256	269	118	10	3	3	3	4	3
N Life Cycle Building Maintenance	Infrastructure Maintenance	425	-	(212)	-	-	-	-	-	-	-
Total Land & Buildings		**1,308**	**558**	**691**	**731**	**703**	**256**	**797**	**597**	**609**	**1,526**
G Storm Planning, Administration & Operations	Physical Inventory Growth	193	47	27	1	3	-	1	2	1	1
Total Storm Drainage		**193**	**47**	**27**	**1**	**3**	**-**	**1**	**2**	**1**	**1**
G Growth- Waste Service Delivery	Population Related Growth	255	93	85	100	100	100	100	93	93	77
N Enhanced Waste Services: Seniors & Bus. Dist.	Population Related Growth	229	-								
N OE - Greenhouse Gas Plan Implementation	Other	100	-	-	-	-	-	-	-	-	-
N OEM - Energy Issue and Cost Management	Other	225	-	-	-	-	-	-	-	-	-
Total Waste Management		**809**	**93**	**85**	**100**	**100**	**100**	**100**	**93**	**93**	**77**
Community Services											
Social, Recreation & Cultural Services											
G Community Support Package 1	Population Related Growth	135	70	36	37	-	38	-	40	-	-
G Community Support Package 2	Population Related Growth	147	31	32	33	34	35	36	37	38	-
G Consultant	Population Related Growth	-	40	-	-	-	-	-	45	-	-
G Community Development	Population Related Growth	-	70	-	-	-	-	-	-	-	-
G Information Clerk	Population Related Growth	-	38	-	38	-	38	-	-	-	-
G CLASS - Program Support	Population Related Growth	-	56	-	-	-	-	-	-	-	-
G Community Investment Grants	Support to Others	90	80	47	50	50	53	55	58	61	64
G Greater Edmonton Foundation	Support to Others	-	-	500	-	-	500	-	-	-	-
G G.E.F - Financial Targets	Support to Others	200	-	-	-	-	-	-	-	-	-
G Families First Initiative	Support to Others	175	-	175	75	75	-	-	-	-	-
G Infrastructure Demand	Other	82	-	-	(44)	-	-	-	-	-	-
N Citizen/Cust. Based Perform. Measurement	Population Related Growth	80	-	-	-	-	-	-	-	-	-
N Electronic Records Management	Other	-	-	25	-	-	-	-	-	-	-
Total Social, Recreation & Cultural Services		**909**	**385**	**815**	**189**	**159**	**664**	**91**	**180**	**99**	**64**
Parks, River Valley & Natural Areas											
G Parks Inventory Growth	Physical Inventory Growth	438	555	302	408	514	320	327	333	340	347
N Parks Infrastructure Maintenance	Infrastructure Maintenance	111	70	-	-	-	-	-	-	-	-
N Enviro Changes to Pressure Treated Wood	Infrastructure Maintenance	-	280	(67)	(67)	(68)	(68)	-	-	-	-
N Enviro Changes to Broad Leaf Weed Cont.	Infrastructure Maintenance	250	100	-	-	-	-	-	-	-	-
N Enviro Changes to Mosquito Larviciding	Infrastructure Maintenance	-	-	1,000	-	-	-	-	-	-	-
N River Valley Naturalization	Other	-	60	-	-	-	-	-	-	-	-
Total Parks, River Valley & Natural Areas		**799**	**1,065**	**1,235**	**341**	**446**	**252**	**327**	**333**	**340**	**347**

G = Growth on Existing Services, N = New or Enhanced Services

Appendix VI New Services and Growth Listing by Program

($000 - Incremental Tax Levy)

Department/Program	Category	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Recreation & Cultural Facilities											
G New Indoor / Outdoor Pool (Comm. Hub)	Physical Inventory Growth	-	-	-	-	410	-	-	-	-	-
G New Twin Arena Complex (Comm. Hub)	Physical Inventory Growth	-	-	-	-	-	-	-	-	-	-
G New Leisure Centre - N/E	Physical Inventory Growth	-	-	-	-	-	-	-	-	383	-
G New Leisure Centre - S/E	Physical Inventory Growth	-	-	-	-	-	-	-	-	-	385
G Londonderry Pool Expansion	Physical Inventory Growth	-	-	-	-	-	-	-	-	-	-
G New Twin Arena Complex	Physical Inventory Growth	-	-	-	-	-	-	-	-	-	-
G Pools: One-Time Innovations	Other	-	94	31	(125)	-	100	(100)	-	-	-
G Energy Audits	Other	-	112	(112)	-	-	-	-	-	-	-
G Arenas - Staffing Needs	Other	-	73	-	-	-	-	-	-	-	-
G Employee Succession Planning and Wellness	Other	174	-	-	-	-	-	-	-	-	-
Total Recreation & Cultural Facilities		**174**	**279**	**(81)**	**(125)**	**410**	**100**	**(100)**	**-**	**383**	**385**
Corporate Services											
G Corporate Systems Licenses/Upgrades	Infrastructure Maintenance	394	105	106	109	112	115	118	122	125	129
G Client Growth to Others	Support to Others	690	107	(98)	11	11	11	12	12	12	12
G Workforce Planning	Other	500	13	10	(523)	-	-	-	-	-	-
N e-Business Msnagement	Infrastructure Maintenance	120	3	2	2	2	2	2	2	2	2
N Enterprise Resource Planning	Infrastructure Maintenance	430	11	9	9	9	9	9	9	9	9
Total Corporate Services		**2,134**	**239**	**29**	**(392)**	**134**	**137**	**141**	**145**	**148**	**152**
Fire/Rescue & Emergency Medical Services											
G Inc. Fire Inspection Prevention Capacity	Population Related Growth	150	157	165	12	11	10	11	11	12	12
G Fire Stations in New Suburban Areas	Population Related Growth	-	-	-	1,401	234	2,425	641	1,776	681	657
G EMS Capacity to meet Demand Growth	Population Related Growth	-	716	(39)	1,523	(96)	45	1,653	(43)	87	89
G Fire Rescue Staff Maintenance Factor	Infrastructure Maintenance	656	32	219	202	38	37	40	41	43	44
N Fire Rescue Training Instructors	Infrastructure Maintenance	379	9	10	10	9	9	9	10	10	10
N Fire Rescue Training Squads	Infrastructure Maintenance	641	673	706	50	46	44	48	49	52	53
N Operation Impact of Capital Projects	Infrastructure Maintenance	153	4	4	15	4	4	4	4	4	5
N Inc. Response Capacity - Dangerous Goods	Other	2,006	50	51	53	48	46	50	51	54	55
N Underwater Rescue Operation	Other	-	-	390	(276)	3	2	3	3	3	3
N Meet National Fire Protection Assoc Std 1710	Other	2,159	2,267	2,379	2,495	2,529	249	267	273	291	298
N Achieve Council App EMS Response Target	Other	2,834	1,226	1,148	130	118	114	123	125	134	136
N Growth Support for ERD	Other	215	6	4	5	5	5	5	5	5	5
N EMS Education and Recruitment	Other	616	16	16	16	14	14	16	16	16	16
Total Fire/Rescue & Emergency Medical Services		**9,809**	**5,156**	**5,053**	**5,636**	**2,963**	**3,004**	**2,870**	**2,321**	**1,392**	**1,383**
Mayor & Council											
Office of the City Auditor											
G Investigation & Special Project Support	Support to Others	91	2	2	2	2	2	2	2	2	2
Total Office of the City Auditor		**91**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**

G = Growth on Existing Services, N = New or Enhanced Services

Appendix VI New Services and Growth Listing by Program

($000 - Incremental Tax Levy)

Department/Program	Category	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Office of the City Manager											
Office of the City Clerk											
G Assessment Review Board	Population Related Growth	200	5	4	4	4	4	4	4	4	4
G Subdivision Development Appeal Board	Population Related Growth	-	45	-	-	-	-	-	-	-	-
G Records Management Capital Project	Infrastructure Maintenance	69	22	3	2	2	2	2	2	2	2
G General Municipal Election	Other	-	1,334	(1,334)	-	1,531	(1,531)	-	1,568	(1,568)	-
G Census	Other	-	1,068	(1,068)	-	-	-	1,239	(1,239)	-	-
Total Office of the City Clerk		**269**	**2,474**	**(2,395)**	**6**	**1,537**	**(1,525)**	**1,245**	**335**	**(1,562)**	**6**
Planning & Development											
G Permanent Staff Complement - Economy	Population Related Growth	1,180	195	123	51	130	137	144	62	149	154
G Staff Training	Population Related Growth	95	2	2	2	2	2	2	2	3	2
G New Edmonton Plan	Population Related Growth	-	-	-	-	1,109	23	(1,132)	-	-	-
G New Downtown Plan	Population Related Growth	-	-	-	-	-	-	346	(169)	(177)	-
G Downtown Plan Initiatives Program	Population Related Growth	1,500	-	-	(1,500)	-	-	-	-	-	-
G Industrial Statutory Plans	Other	128	3	2	3	3	(139)	-	-	-	-
G Remote Data Collection	Other	25	-	248	(247)	1	263	(262)	-	279	(278)
N Reinspection Cycle	Population Related Growth	-	256	-	7	7	7	7	7	7	8
N Heritage Conservation Program	Support to Others	274	(274)	-	-	-	-	-	-	-	-
N Downtown Retail Complex Reinvestment Prog.	Support to Others	244	244	488	-	-	-	-	-	(244)	(244)
N EZI Initiatives / Customer Web Access	Other	308	6	(314)	-	-	-	-	-	-	-
N Highway Entrance Studies	Other	-	136	3	(139)	-	-	-	-	-	-
N Stony Plain Road Entrance	Other	75	(75)	-	-	-	-	-	-	-	-
N Regional and Intermunicipal Issues	Other	103	2	(105)	-	-	-	-	-	-	-
N Review of Urban Design Principles	Other	103	2	(105)	-	-	-	-	-	-	-
N Economic Activity Centres/intensification	Other	128	3	(131)	-	-	-	-	-	-	-
N Restrictive Covenants Compliance	Other	87	2	2	1	2	2	2	2	2	2
N Operation of Animal Control Facility	Other	-	-	53	1	1	2	1	1	1	1
N Automate Parking Enforcement	Other	(169)	(3)	(3)	(3)	(3)	(4)	(4)	(4)	(4)	(4)
N Tracking of Outstanding Invoices	Other	201	4	4	4	4	5	4	5	4	5
N General Bylaw Promotion	Other	51	1	1	1	1	2	1	1	1	1
N Provincially Centralized Assessment Database	Other	339	(339)				1				
N Data Warehousing / Imaging System	Other	725	(702)	-	1	-	1	-	1	-	1
N Performance Measurement System	Other	190	(167)	-	1	-	1	-	1	-	1
Total Planning & Development		**5,587**	**(704)**	**268**	**(1,817)**	**1,257**	**303**	**(891)**	**(91)**	**21**	**(351)**
Transportation & Streets											
Roads											
G Growth Accommodation (Planning & Traffic)	Population Related Growth	136	5	2	4	4	4	4	2	3	4
G Roadway Services	Infrastructure Maintenance	157	5	4	3	3	3	6	3	3	3
G Streets Engineering Capital Servicing Addback	Infrastructure Maintenance	212	4	5	4	5	4	5	5	4	5
G Trip Hazards - Roadways	Infrastructure Maintenance	250	131	135	135	138	141	143	147	149	153
G Fund Winter Road to Full Service	Infrastructure Maintenance	500	500	1,000	440	49	50	50	52	53	54
G Hired Equip Costs/ Multi-Use Trails	Infrastructure Maintenance	953	260	(109)	131	51	148	105	102	117	79

G = Growth on Existing Services, N = New or Enhanced Services

Appendix VI New Services and Growth Listing by Program

($000 - Incremental Tax Levy)

Department/Program	Category	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
G Gravel and Oiled Road Service Addback	Infrastructure Maintenance	422	342	345	368	34	36	36	36	38	38
G Fall Street Cleaning Fund to Full Fall Sweep	Infrastructure Maintenance	200	105	108	108	110	113	115	117	119	122
G Pavement Investment Strategy	Infrastructure Maintenance	462	394	248	258	270	283	292	308	323	337
G Inventory Growth	Physical Inventory Growth	571	342	366	378	390	406	418	432	447	463
G Bridge and Conc. Maintenance	Physical Inventory Growth	-	61	1	31	89	92	96	100	104	98
G Intelligent Transportation System	Other	130	80	28	114	72	123	99	144	103	-
N Environmental Monitor/ Comm. Traffic Planning	Population Related Growth	126	82	6	5	6	5	4	4	6	6
N Traffic Tech/ Street Light Engineer	Infrastructure Maintenance	113	3	3	3	3	3	3	4	2	3
N Ancillary Services	Infrastructure Maintenance	140	132	388	129	130	134	135	139	142	144
Total Roads		**4,372**	**2,446**	**2,530**	**2,111**	**1,354**	**1,545**	**1,511**	**1,595**	**1,613**	**1,509**
Transit											
G DATS Service Growth	Population Related Growth	672	671	746	626	695	772	855	948	1,046	1,156
G CPP Unfunded New Bus Operating Garage	Population Related Growth	-	-	-	-	-	1,688	34	34	35	36
G New Service Offpeak	Population Related Growth	127	406	427	446	467	488	509	532	556	578
G Man Power Planning	Infrastructure Maintenance	441	242	105	1,408	(167)	28	(70)	(764)	(404)	5
G CPP Unfunded LRT/Bus Fac & Equip Op Impacts	Infrastructure Maintenance	207	709	790	377	770	160	84	91	94	96
G CPP Funded Impacts LFB Capacity	Infrastructure Maintenance			153	478	339	19	20	20	21	21
G Exist Infra Offpeak	Infrastructure Maintenance	46	146	153	160	167	174	182	190	198	206
G Exist Infra Peak Refurb	Infrastructure Maintenance	104	329	750	(385)	57	617	52	58	(521)	29
G Elevators, Escalators, Rail Grinding	Infrastructure Maintenance	100	115	4	4	4	5	5	5	5	5
G Fleet Corrosion Repair	Other	256	15	(271)	-	-	-	-	-	-	-
G Specialized Equipment Training Shortfall	Other	164	4	3	3	4	4	4	4	4	4
G CPP Funded Exist Infra Peak PGB	Other	-	-	77	278	323	306	389	407	424	443
G Bus Replacemt Reserve CPP Funded Growth Bus	Infrastructure Maintenance	-	-	123	526	434	561	575	794	477	670
N Environmental Impacts - Emission Stds - 1 Time	Infrastructure Maintenance	583	25	(551)	1	1	1	1	1	1	1
N LRT Plant and Equipment Mtce	Infrastructure Maintenance	337	9	7	7	7	(322)	1	1	1	1
N CPP Funded New Service Peak PGB	Infrastructure Maintenance	-	-	-	81	343	329	509	530	566	328
N New Service Peak Refurb	Infrastructure Maintenance	107	339	357	329	298	301	106	68	69	319
N Fleet Cleaning to meet Current Std	Support to Others	108	119	5	5	5	5	5	5	5	5
N Special Events	Other	72	4	3	3	3	3	3	3	3	4
N Security Services	Other	496	13	(106)	8	9	10	10	10	10	10
N DATS service and support improvements	Other	830	580	40	75	120	83	111	48	140	52
N Regional Service	Other	198	5	4	4	4	4	4	4	4	5
N Same Day (Demand) Trip Bookings	Other	169	4	3	3	3	3	3	3	3	3
N Intranet/SLIM/SAP/Smart Card	Other	114	103	4	4	4	4	4	5	5	5
N Marketing and Communications	Other	379	180	11	11	11	11	12	12	13	13
N Program Evaluation for Outlet Program	Other	311	(2)	6	6	7	7	7	7	7	7
N Customer Service Center Improvements	Other	104	(37)	(33)	1	1	1	1	1	1	1
N Employee Training	Other	137	172	(37)	5	6	6	6	6	6	6
N CPP Unfunded SLRT Ext to Heritage	Other	-	221	92	395	41	(769)	81	2,486	716	160
N LRT & Bus Fac & Equip Ops Imp - CPP Funded	Other	328	36	35	128	108	323	234	315	92	202
N SLRT Ext - UofA to Health Sc - CPP Funded	Other	72	2	955	21	21	21	22	22	23	23
Total Transit		**6,462**	**4,410**	**3,855**	**5,008**	**4,085**	**4,843**	**3,759**	**5,846**	**3,600**	**4,394**
Total Civic Programs		**32,916**	**16,450**	**12,114**	**11,791**	**13,153**	**9,681**	**9,853**	**11,358**	**6,739**	**9,495**

G = Growth on Existing Services, N = New or Enhanced Services

Appendix VI New Services and Growth Listing by Program

($000 - Incremental Tax Levy)

Department/Program	Category	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Authorities											
Arts Council											
G Arts Organizations	Support to Others	200	200	-	-	-	-	-	-	-	-
Total Arts Council		**200**	**200**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Downtown Development Corporation											
G Alberta Main Street Program	Support to Others	20	-	-	-	-	-	-	-	-	-
Total Downtown Development Corporation		**20**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Economic Development Edmonton											
G Competitive Strategy	Other	1,700	800	-	-	-	-	-	-	-	-
Total Economic Development Edmonton		**1,700**	**800**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Police Service											
G Resources for Community Policing & Growth	Population Related Growth	6,808	5,524	6,295	6,514	3,768	3,334	3,064	3,170	2,620	2,646
G Equipment Replacement Plan	Infrastructure Maintenance	1,415	1,340	(383)	255	(133)	408	592	816	5	(362)
G Facilities Maintenance	Infrastructure Maintenance	159	184	836	(434)	(112)	(270)	26	495	(515)	-
G IT & Telecommunications Maintenance	Infrastructure Maintenance	870	102	-	51	51	51	51	77	26	26
G Impact of Capital Projects - Funded	Infrastructure Maintenance	51	(46)	(36)	230	26	26	56	102	408	-
G Impact of Capital Projects - Unfunded	Infrastructure Maintenance	230	428	250	168	704	683	434	1,117	2,213	765
N Intergovernmental Initiatives	Support to Others	359	51	(102)	51	51	102	(51)	51	51	51
N Community Partnerships	Support to Others	1,009	(36)	179	77	102	10	51	51	82	82
Total Police Service		**10,901**	**7,547**	**7,039**	**6,912**	**4,457**	**4,344**	**4,223**	**5,879**	**4,890**	**3,208**
Public Library											
G Additional Library Materials	Population Related Growth	250	250	250	250	250	250	250	250	250	250
G Additional Staff*	Population Related Growth	128	-	-	-	-	-	-	-	-	-
N New Branch (North East) - 2007	Population Related Growth	-	-	-	-	-	-	-	-	-	-
N New Branch (South) - 2010	Population Related Growth	-	-	-	-	659	-	-	-	-	-
Total Public Library		378	250	250	250	-	-	-	714	-	-
Total Authorities		**13,199**	**8,797**	**7,289**	**7,162**	**5,366**	**4,594**	**4,473**	**6,843**	**5,140**	**3,458**
Incremental Total		**46,115**	**25,247**	**19,403**	**18,953**	**18,519**	**14,275**	**14,326**	**18,201**	**11,879**	**12,953**
Cumulative Total		**46,115**	**71,362**	**90,765**	**109,718**	**128,237**	**142,512**	**156,838**	**175,039**	**186,918**	**199,871**

G = Growth on Existing Services, N = New or Enhanced Services

Appendix VII Ten-Year Capital Plan by Program

($millions)

FUNDED

Department / Program	Capital Initiative	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
INFRASTRUCTURE & PHYSICAL ENVIRONMENT EXPENDITURES												
Asset Management & Public Works												
Land & Buildings	Buildings - Offices	$ 1.2	$ 1.3	$ 0.5	$ 1.0	$ 0.9	$ 1.9	$ 1.9	$ 1.2	$ 1.2	$ 1.2	$ 12.3
Land & Buildings	Buildings - Public Works/Operations	1.9	1.1	3.4	4.4	1.6	3.3	3.3	3.5	3.5	3.5	29.5
Land & Buildings	Bldg - Recreational/Facilities/Amenities	6.1	2.7	2.4	1.9	1.7	3.5	3.5	3.8	3.8	3.8	33.2
Land & Buildings	Contaminated Land Reclamation	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	5.0
		9.7	5.6	6.8	7.8	4.7	9.2	9.2	9.0	9.0	9.0	80.0
Mobile Equipment Services	Fleet - City Vehicles	19.2	12.3	13.1	13.6	16.1	16.9	19.9	21.2	19.5	19.2	171.0
Mobile Equipment Services	Fleet - ERD	8.6	4.7	5.5	3.2	3.2	4.8	2.2	5.2	1.9	3.4	42.7
Mobile Equipment Services	Fleet - Transit	22.3	16.5	15.0	15.0	16.0	17.0	17.0	17.0	18.0	18.0	171.8
Mobile Equipment Services	Fleet - Shop Equipment	1.1	1.0	1.0	1.6	1.6	1.2	1.2	1.3	1.3	1.3	12.6
Mobile Equipment Services	Buildings-MES Public Works/Operations	3.0	-	-	-	-	-	-	-	-	-	3.0
		54.2	34.5	34.6	33.4	36.9	39.9	40.3	44.7	40.7	41.9	401.1
Sanitary Drainage	Wastewater Treatment Facilities	7.1	27.3	29.6	15.7	24.3	19.6	5.6	14.5	11.0	14.6	169.3
Sanitary Drainage	Sanitary System	16.7	12.6	7.3	7.6	8.2	9.1	8.0	8.2	15.1	10.3	103.1
Sanitary Drainage	Combined System	3.3	3.1	4.9	3.2	9.1	13.7	12.6	6.1	7.5	8.2	71.7
		27.1	43.0	41.8	26.5	41.6	42.4	26.2	28.8	33.6	33.1	344.1
Storm Drainage	Storm System	3.3	2.7	3.5	3.9	3.1	4.5	5.7	4.4	5.5	4.1	40.7
Waste Management	Processing Facilities	1.2	1.0	0.9	0.8	0.5	0.5	0.5	0.5	0.5	0.5	6.9
	Total Asset Management & Public Works	95.5	86.8	87.6	72.4	86.8	96.5	81.9	87.4	89.3	88.6	872.8
Corporate Services												
Corporate Services	Technology Equipment - Server/Data Network	5.3	3.6	5.4	5.3	4.9	7.1	7.1	7.1	7.1	7.1	60.0
Corporate Services	Technology Equipment - Business Applications	0.1	-	-	-	-	-	-	-	-	-	0.1
Corporate Services	Enterprise Resource Planning	3.2	3.2	-	-	-	-	-	-	-	-	6.4
	Total Corporate Services	8.6	6.8	5.4	5.3	4.9	7.1	7.1	7.1	7.1	7.1	66.5
Community Services												
Parks, River Valley & Natural Areas	Park System Inventory	1.2	1.1	0.8	0.8	0.7	1.6	1.6	1.7	1.6	1.5	12.6
Parks, River Valley & Natural Areas	Horticulture	1.3	1.4	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	4.9
Parks, River Valley & Natural Areas	Park Access, Circulation	1.0	1.0	1.1	1.2	1.2	1.3	1.3	1.2	1.2	1.2	11.7
Parks, River Valley & Natural Areas	Playgrounds	2.2	2.1	2.0	2.1	2.2	2.2	2.2	2.3	2.3	2.3	21.9
Parks, River Valley & Natural Areas	Sports Fields/Fixtures	0.6	0.6	0.6	0.8	0.6	0.6	0.7	0.7	0.7	0.7	6.6
Parks, River Valley & Natural Areas	Park Furniture	1.5	1.5	1.4	1.5	1.5	1.5	1.5	1.6	1.6	1.7	15.3
		7.8	7.7	6.1	6.6	6.5	7.5	7.6	7.8	7.7	7.7	73.0
Recreation & Cultural Facilities	Arenas	-	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	4.6
Recreation & Cultural Facilities	Sports and Fitness Facilities	-	-	-	0.1	-	0.1	0.1	0.1	0.1	0.2	0.7
Recreation & Cultural Facilities	Water Features (Outdoor Pools)	-	-	1.6	0.8	-	-	-	-	-	-	2.4
Recreation & Cultural Facilities	Sports Fields/Fixtures	-	-	-	-	-	-	-	-	-	-	-
Recreation & Cultural Facilities	Community Partnerships	1.1	-	-	-	-	-	-	-	-	-	1.1
		1.1	0.5	2.1	1.4	0.5	0.6	0.6	0.6	0.6	0.8	8.8
Social, Recreation & Cultural Serv	City Owned Housing	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	4.5
	Total Community Services	9.3	8.6	8.6	8.4	7.4	8.6	8.7	8.9	8.8	9.0	86.3
Economic Development Edmonton												
Economic Development Edmonton	Conference Centre Rehabilitation	0.5	0.3	1.3	1.9	0.3	0.5	0.5	0.5	0.5	0.6	6.9
Odyssium												
Edmonton Space & Science Centre	Buildings - Odyssium	0.3	-	-	0.1	-	-	-	-	-	-	0.4

Appendix VII Ten-Year Capital Plan by Program

($millions)

FUNDED

Department / Program	Capital Initiative	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
Emergency Response												
Fire & Rescue	Communication (Dispatch System)	1.0	-	-	-	-	1.4	-	-	-	-	2.4
Fire & Rescue	Fire Fighting Equipment Upgrade	-	-	0.9	0.7	-	-	0.2	-	-	-	1.8
	Total Emergency Response	1.0	-	0.9	0.7	-	1.4	0.2	-	-	-	4.2
Office of the City Manager												
Office of the City Clerk	Technology Equipment - Business Applications	-	-	-	0.1	-	-	-	-	-	-	0.1
Planning & Development Department												
Planning & Development	Heritage Building Preservation & IT	1.9	1.5	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	9.0
Edmonton Police Service												
Police	Buildings - Police	0.9	2.0	1.6	1.0	0.7	1.8	0.4	0.7	1.7	1.8	12.6
Police	Technology Equipment - Police IT	1.4	1.5	1.6	3.0	1.8	2.5	3.2	0.9	2.3	1.8	20.0
Police	Technology Equipment - Police Communications	0.6	1.9	1.6	1.7	-	-	-	2.1	1.5	-	9.4
Police	Police Equipment	0.5	-	0.3	1.1	1.0	0.5	0.5	2.7	0.8	3.3	10.7
	Total Edmonton Police Service	3.4	5.4	5.1	6.8	3.5	4.8	4.1	6.4	6.3	6.9	52.7
Edmonton Public Library												
Public Library	Buildings - Libraries	1.6	-	-	-	-	-	0.5	0.2	0.2	0.3	2.8
Public Library	Library Computer Network	0.1	-	-	-	-	-	-	-	-	-	0.1
	Total Edmonton Public Library	1.7	-	-	-	-	-	0.5	0.2	0.2	0.3	2.9
Transporation & Streets												
Roads	Arterial Roads	22.2	24.5	23.5	24.1	21.4	26.9	28.6	30.1	32.1	28.8	262.2
Roads	Collector & Local Roads	11.6	11.2	13.8	14.0	11.9	12.6	13.3	13.8	16.1	16.1	134.4
Roads	Local Improvements	-	-	0.3	0.3	0.1	0.3	0.3	0.3	0.4	0.4	2.4
Roads	Traffic/Safety/StreetLight	5.9	5.6	5.9	6.0	5.2	6.2	6.5	6.7	7.2	7.2	62.4
Roads	Environmental/Slide Repair/Snow Storage/Other	2.2	2.1	3.0	2.7	3.7	2.5	2.5	2.6	2.8	2.8	26.9
		41.9	43.4	46.5	47.1	42.3	48.5	51.2	53.5	58.6	55.3	488.3
Transit	LRT Systems & Facilities	4.5	2.9	1.9	3.4	3.0	3.8	3.4	3.1	3.7	3.6	33.3
Transit	Bus Systems & Facilities	2.3	1.8	1.0	3.3	3.2	4.4	2.5	2.9	2.5	2.6	26.5
Transit	Computer Equipment	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	4.9
		7.2	5.1	3.4	7.2	6.7	8.7	6.4	6.5	6.7	6.8	64.7
	Total Transporation & Streets	49.1	48.5	49.9	54.3	49.0	57.2	57.6	60.0	65.3	62.1	553.0
Total Infrastructure & Physical Environment Expenditures		171.3	157.9	159.5	150.7	152.6	176.8	161.3	171.2	178.2	175.3	1,654.8
PLANNED GROWTH EXPENDITURES												
Asset Management & Public Works												
Land & Buildings	Buildings - Public Works/Operations	6.3	6.2	0.4	1.5	-	-	-	-	-	-	14.4
Mobile Equipment Services	Fleet - Shop Equipment	-	-	-	-	-	2.0	-	-	-	-	2.0
Mobile Equipment Services	Buildings-MES Public Works/Operations	-	-	-	-	-	12.0	-	-	-	-	12.0
		-	-	-	-	-	14.0	-	-	-	-	14.0
Sanitary Drainage	Sanitary System	5.3	15.0	14.1	6.4	6.9	11.5	12.3	11.3	7.7	8.0	98.5
Storm Drainage	Storm System	8.8	7.0	7.4	4.2	3.1	4.6	3.4	4.8	3.7	5.2	52.2
Waste Management	Transfer Station & Public Facilities	-	-	-	-	-	-	-	-	0.7	8.0	8.7
Waste Management	Operating Landfills & Appurtenances	-	-	0.2	0.3	0.3	0.5	0.5	0.5	0.5	5.0	7.8
		-	-	0.2	0.3	0.3	0.5	0.5	0.5	1.2	13.0	16.5
	Total Asset Management & Public Works	20.4	28.2	22.1	12.4	10.3	30.6	16.2	16.6	12.6	26.2	195.6

Appendix VII Ten-Year Capital Plan by Program

($millions)

FUNDED

Department / Program	Capital Initiative	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
Community Services												
Parks, River Valley & Natural Areas	Park System Inventory	3.6	4.0	5.1	1.0	0.8	0.8	0.8	0.8	0.8	0.8	18.5
Parks, River Valley & Natural Areas	Horticulture	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	2.1
Parks, River Valley & Natural Areas	Park Access, Circulation	1.1	2.4	2.3	-	-	-	-	-	-	-	5.8
		5.0	6.6	7.6	1.2	1.0	1.0	1.0	1.0	1.0	1.0	26.4
Recreation & Cultural Facilities	Sports Fields/Fixtures	-	-	-	-	-	-	-	-	-	-	-
Recreation & Cultural Facilities	Community Partnerships	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.0
		0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.0
Social, Recreation & Cultural Serv	Partnership Housing	-	-	-	-	-	-	-	-	-	-	-
Social, Recreation & Cultural Serv	Community Partnerships	-	-	7.6	-	-	9.5	-	-	-	-	17.1
		-	-	7.6	-	-	9.5	-	-	-	-	17.1
	Total Community Services	5.1	6.7	15.3	1.3	1.1	10.6	1.1	1.1	1.1	1.1	44.5
Planning & Development												
Planning & Development	Streetscape/Urban Design/Animal Control Facility	0.4	0.3	3.6	0.4	-	1.6	1.6	1.6	1.6	1.6	12.7
Edmonton Police Service												
Police	Buildings - Police (SW Division Station)	-	-	-	-	-	1.5	2.3	-	-	-	3.8
Edmonton Public Library												
Public Library	Southgate Branch Relocation	0.1	-	-	-	-	-	-	-	-	-	0.1
	Total Edmonton Public Library	0.1	-	-	-	-	-	-	-	-	-	0.1
Transportation & Streets												
Roads	Arterial Roads	6.4	0.1	0.1	3.1	5.1	2.2	3.5	0.1	1.8	1.0	23.4
Roads	Local Improvements	4.9	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	49.9
Roads	Traffic/Safety/StreetLight	2.4	0.5	0.5	0.6	0.2	1.7	1.4	1.4	1.7	1.7	12.1
Roads	Strategic Roads (Interchanges, Ring Road)	36.0	29.9	36.2	37.5	37.0	41.9	39.9	36.3	37.0	38.7	370.4
		49.7	35.5	41.8	46.2	47.3	50.8	49.8	42.8	45.5	46.4	455.8
Transit	Bus Fleet (Growth)	-	-	2.1	7.9	6.0	7.7	7.6	10.6	5.4	8.0	55.3
Transit	LRT Systems & Facilities	-	-	-	-	-	-	-	-	-	-	-
Transit	Bus Systems & Facilities	0.7	-	0.5	0.5	3.1	3.3	3.4	3.6	0.6	0.6	16.3
Transit	South LRT Extension (University to Health Sciences)	25.4	33.1	29.2	6.8	-	-	-	-	-	-	94.5
		26.1	33.1	31.8	15.2	9.1	11.0	11.0	14.2	6.0	8.6	166.1
	Total Transportation & Streets	75.8	68.6	73.6	61.4	56.4	61.8	60.8	57.0	51.5	55.0	621.9
Total Planned Growth Expenditures		101.8	103.8	114.6	75.5	67.8	106.1	82.0	76.3	66.8	83.9	878.6
OTHER EXPENDITURES (ECONOMIC DEVELOPMENT, ORGANIZATIONAL EFFECTIVENESS)												
Asset Management & Public Works												
Land & Buildings	Buildings - Offices	0.9	0.4	1.2	0.9	0.8	1.6	1.6	1.7	1.7	1.7	12.5
Land & Buildings	Buildings - Public Works/Operations	1.0	-	-	-	-	-	-	-	-	-	1.0
Land & Buildings	Land Development	12.0	12.8	14.5	12.2	13.1	12.2	11.7	10.1	8.9	10.4	117.9
		13.9	13.2	15.7	13.1	13.9	13.8	13.3	11.8	10.6	12.1	131.4
Mobile Equipment Services	Fleet - City Vehicles	0.5	0.5	-	-	-	-	-	-	-	-	1.0
Sanitary Drainage	Wastewater Treatment Facilities	0.2	-	-	-	-	-	-	-	-	-	0.2
Sanitary Drainage	Sanitary System	1.9	1.3	1.3	3.6	1.0	1.1	1.1	1.2	1.2	1.2	14.9
		2.1	1.3	1.3	3.6	1.0	1.1	1.1	1.2	1.2	1.2	15.1
Storm Drainage	Storm System	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.0
Waste Management	Processing Facilities	1.5	-	-	-	-	-	-	-	-	-	1.5
	Total Asset Management & Public Works	18.1	15.1	17.1	16.8	15.0	15.0	14.5	13.1	11.9	13.4	150.0

Appendix VII Ten-Year Capital Plan by Program

($millions)

FUNDED

Department / Program	Capital Initiative	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
Community Services												
Recreation & Cultural Facilities	Attractions	3.5	3.1	4.7	4.8	7.4	9.3	4.9	4.0	4.3	-	46.0
Recreation & Cultural Facilities	Sports and Fitness Facilities	0.2	0.2	0.2	0.4	0.2	0.2	0.2	0.2	0.2	0.2	2.2
Recreation & Cultural Facilities	Community Partnerships	-	-	-	-	-	-	-	-	-	-	-
		3.7	3.3	4.9	5.2	7.6	9.5	5.1	4.2	4.5	0.2	48.2
Social, Recreation & Cultural Serv	IT Initiatives	0.3	0.3	0.3	0.5	0.3	0.3	0.4	0.4	0.4	0.4	3.6
	Total Community Services	4.0	3.6	5.2	5.7	7.9	9.8	5.5	4.6	4.9	0.6	51.8
Emergency Response												
Fire & Rescue	Communication	0.5	-	-	-	-	-	-	-	-	-	0.5
Fire & Rescue	Fire Fighting Equipment Upgrade	-	-	0.7	0.9	-	-	-	-	-	-	1.6
	Total Emergency Response	0.5	-	0.7	0.9	-	-	-	-	-	-	2.1
Planning & Development												
Planning & Development	Technology Equipment - Business Applications	0.3	-	-	-	-	0.1	0.1	0.2	0.2	0.2	1.1
Edmonton Police Service												
Police	Buildings - Police (Provincial Training Centre)	-	-	-	-	-	-	-	-	0.5	5.0	5.5
Total Other Expenditures (Economic Development, Organizational Effectiveness)		22.9	18.7	23.0	23.4	22.9	24.9	20.1	17.9	17.5	19.2	210.5
TOTAL FUNDED CAPITAL INITIATIVES		**$ 296.0**	**$ 280.4**	**$ 297.1**	**$ 249.6**	**$ 243.3**	**$ 307.8**	**$ 263.4**	**$ 265.4**	**$ 262.5**	**$ 278.4**	**$ 2,743.9**

Appendix VII Ten-Year Captial Plan by Program

($millions)

UNFUNDED

Department / Program	Capital Initiative	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
INFRASTRUCTURE & PHYSICAL ENVIRONMENT EXENDITURES												
Asset Management & Public Works												
Land & Buildings	Buildings - Offices	$ 1.3	$ 0.7	$ 0.9	$ 1.4	$ 1.8	$ 1.3	$ 1.3	$ 1.3	$ 1.4	$ 1.4	$ 12.8
Land & Buildings	Buildings - Public Works/Operations	2.5	3.3	11.1	8.9	4.0	2.6	21.3	21.7	2.9	3.1	81.4
Land & Buildings	Bldg - Recreational Facilities/Amenities	-	-	2.0	2.6	4.5	2.9	3.1	3.0	3.1	3.3	24.5
		3.8	4.0	14.0	12.9	10.3	6.8	25.7	26.0	7.4	7.8	118.7
Mobile Equipment Services	Fleet - Transit	-	1.1	1.1	1.1	1.2	1.2	1.3	1.3	1.3	1.4	11.0
Storm Drainage	Storm System	1.5	1.6	1.8	3.3	5.0	1.1	2.4	4.2	4.2	4.7	29.8
Sanitary Drainage	Sanitary System	0.5	1.3	0.7	0.7	1.6	1.6	1.6	1.6	1.6	1.7	12.9
	Total Asset Management & Public Works	5.8	8.0	17.6	18.0	18.1	10.7	31.0	33.1	14.5	15.6	172.4
Corporate Services												
Corporate Services	Technology Equipment - Server/Data Network	0.6	4.9	1.4	2.9	1.7	1.3	-	-	0.6	0.7	14.1
Corporate Services	Technology Equipment - Business Applications	4.7	3.3	7.1	1.7	1.9	1.9	2.1	2.1	2.2	2.4	29.4
Corporate Services	Enterprise Resource Planning	0.6	1.6	4.8	4.8	5.1	5.1	5.3	5.4	5.6	5.6	43.9
Corporate Services	Technology Equipment - Voice Communications	2.0	2.0	2.0	2.0	-	-	-	-	-	-	8.0
	Total Corporate Services	7.9	11.8	15.3	11.4	8.7	8.3	7.4	7.5	8.4	8.7	95.4
Economic Development Edmonton												
Economic Development Edmonton	Conference Centre Rehabilitation	8.1	22.0	1.9	1.5	0.8	0.5	0.5	0.5	0.6	0.6	37.0
Emergency Response												
Fire & Rescue	Communication (Dispatch System Rpl Phase II & III)	-	-	-	-	-	3.5	-	-	-	-	3.5
Fire & Rescue	Fire Fighting Equipment Upgrade	-	-	-	0.1	0.1	-	-	-	-	-	0.2
	Total Emergency Response	-	-	-	0.1	0.1	3.5	-	-	-	-	3.7
Office of the City Manager												
Office of the City Clerk	Technology Equipment - Business Applications	0.4	0.3	-	0.1	0.3	0.3	0.4	-	0.1	0.8	2.7
Community Services												
Parks, River Valley & Natural Areas	Park System Inventory	4.8	4.6	4.3	3.4	3.3	2.9	2.9	2.1	2.1	2.1	32.5
Parks, River Valley & Natural Areas	Horticulture	1.1	2.1	2.1	2.0	2.1	2.1	2.1	2.1	2.1	2.1	19.9
Parks, River Valley & Natural Areas	Park Access, Circulation	0.9	2.0	1.2	1.0	0.9	0.8	0.9	1.0	1.0	1.1	10.8
Parks, River Valley & Natural Areas	Playgrounds	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.2	0.2	1.6
Parks, River Valley & Natural Areas	Sports Fields/Fixtures	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	1.1
Parks, River Valley & Natural Areas	Park Furniture	0.3	0.7	0.3	0.6	0.1	0.1	0.1	0.1	0.1	0.2	2.6
		7.4	9.7	8.2	7.3	6.6	6.1	6.2	5.5	5.6	5.9	68.5
Recreation & Cultural Facilities	Leisure Centres	0.3	3.2	0.7	1.0	0.6	1.0	1.9	1.3	1.0	0.4	11.4
Recreation & Cultural Facilities	Sports and Fitness Facilities	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	2.0
Recreation & Cultural Facilities	Golf Courses	0.1	0.5	-	-	-	-	-	-	-	-	0.6
Recreation & Cultural Facilities	Water Features (Outdoor Pools)	-	-	-	2.2	2.8	1.7	4.0	4.1	2.4	-	17.2
		0.6	3.9	0.9	3.4	3.6	2.9	6.1	5.6	3.6	0.6	31.2
Social, Recreation & Cultural Serv	Partnership Housing	0.1	-	-	-	-	-	-	-	-	-	0.1
	Total Community Services	8.1	13.6	9.1	10.7	10.2	9.0	12.3	11.1	9.2	6.5	99.8
Edmonton Police Service												
Police	Buildings - Police (SE Division Stn, Shooting Rg, HQ)	8.9	4.0	-	-	0.7	-	-	-	0.4	7.1	21.1
Police	Technology Equipment - Police IT	0.7	1.2	-	-	-	-	-	-	-	2.1	4.0
Police	Technology Equipment - Police Communications	0.3	-	-	-	-	-	-	6.8	-	-	7.1
Police	Police Equipment	0.5	2.1	2.1	0.4	-	-	-	-	-	-	5.1
	Total Edmonton Police Service	10.4	7.3	2.1	0.4	0.7	-	-	6.8	0.4	9.2	37.3
Edmonton Public Library												
Public Library	Buildings - Libraries	0.5	0.8	1.5	0.7	0.7	0.7	0.3	0.5	0.7	-	6.4

Appendix VII Ten-Year Captial Plan by Program

($millions)

UNFUNDED

Department / Program	Capital Initiative	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
Transportation & Streets												
Roads	Arterial Roads	6.8	9.1	18.2	20.8	23.2	20.4	20.5	21.9	23.2	28.1	192.2
Roads	Collector & Local Roads	27.6	33.3	34.5	40.5	44.4	46.6	49.0	51.3	52.3	55.6	435.1
Roads	Local Improvements	-	-	-	0.3	0.5	0.4	0.4	0.4	0.4	0.5	2.9
Roads	Traffic/Safety/StreetLight	3.7	4.1	3.8	10.2	11.7	11.8	17.6	20.1	18.1	18.2	119.3
Roads	Environmental/Slide Repair/Snow Storage/Other	0.8	0.8	0.8	0.5	0.8	0.6	0.7	0.7	0.7	0.8	7.2
		38.9	47.3	57.3	72.3	80.6	79.8	88.2	94.4	94.7	103.2	756.7
Transit	LRT Systems & Facilities	1.6	1.1	1.3	0.3	5.3	2.3	2.2	2.8	2.2	1.2	20.3
Transit	Bus Systems & Facilities	3.5	17.6	10.8	0.3	1.2	0.1	0.2	10.1	6.6	0.4	50.8
Transit	Computer Equipment	-	-	-	-	2.5	-	-	0.8	0.6	0.7	4.6
		5.1	18.7	12.1	0.6	9.0	2.4	2.4	13.7	9.4	2.3	75.7
	Transportation & Streets	44.0	66.0	69.4	72.9	89.6	82.2	90.6	108.1	104.1	105.5	832.4
Total Infrastructure & Physical Environment Expenditures		85.2	129.8	116.9	115.8	129.2	115.2	142.5	167.6	138.0	146.9	1,287.1
PLANNED GROWTH EXPENDITURES												
Asset Management & Public Works												
Land & Buildings	Buildings - Public Works/Operations	5.6	11.0	4.0	12.5	27.2	2.7	0.4	-	-	-	63.4
Mobile Equipment Services	Fleet - ERD	0.3	0.3	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	1.8
Mobile Equipment Services	Fleet - Shop Equipment	-	-	-	1.0	2.0	-	-	-	-	-	3.0
		0.3	0.3	0.2	1.2	2.2	0.2	0.1	0.1	0.1	0.1	4.8
Storm Drainage	Storm System	0.7	4.2	1.1	4.3	12.3	8.9	8.5	7.2	3.4	3.4	54.0
	Total Asset Management & Public Works	6.6	15.5	5.3	18.0	41.7	11.8	9.0	7.3	3.5	3.5	122.2
Community Services												
Parks, River Valley & Natural Areas	Park System Inventory	5.9	9.4	8.4	4.1	4.9	0.7	0.2	3.5	2.3	1.5	40.9
Parks, River Valley & Natural Areas	Buildings/Pavilions/Gazebos	1.0	0.9	1.1	2.5	1.9	-	-	-	-	-	7.4
Parks, River Valley & Natural Areas	Horticulture	0.6	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.4	3.8
Parks, River Valley & Natural Areas	Park Access, Circulation	-	0.7	0.8	2.7	2.1	2.2	3.4	2.2	2.4	2.4	18.9
		7.5	11.3	10.6	9.6	9.2	3.3	4.0	6.1	5.1	4.3	71.0
Recreation & Cultural Facilities	Leisure Centres	-	-	-	-	-	0.6	5.8	6.5	6.0	6.0	24.9
Recreation & Cultural Facilities	Arenas	-	-	-	-	-	4.5	4.6	-	-	-	9.1
Recreation & Cultural Facilities	Sports and Fitness Facilities	-	-	4.8	11.4	5.6	-	-	-	-	-	21.8
		-	-	4.8	11.4	5.6	5.1	10.4	6.5	6.0	6.0	55.8
Social, Recreation & Cultural Serv	Partnership Housing	13.0	13.0	13.0	13.0	13.0	3.0	3.0	3.0	3.0	3.0	80.0
Social, Recreation & Cultural Serv	Playgrounds	0.2	0.3	-	-	-	-	-	-	-	-	0.5
		13.2	13.3	13.0	13.0	13.0	3.0	3.0	3.0	3.0	3.0	80.5
	Total Community Services	20.7	24.6	28.4	34.0	27.8	11.4	17.4	15.6	14.1	13.3	207.3
Planning & Development												
Planning & Development	Urban Design, Streetscape	1.3	3.1	1.9	2.4	-	-	-	-	-	-	8.7
Edmonton Police Service												
Police	Buildings - Police (Training Facility, SW Division Stn)	2.5	7.0	6.1	0.5	1.5	3.0	2.1	0.5	-	-	23.2

Appendix VII Ten-Year Captial Plan by Program

($millions)

UNFUNDED

Department / Program	Capital Initiative	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
Edmonton Public Library												
Public Library	Buildings - Libraries	-	-	-	2.7	-	-	3.2	-	-	-	5.9
Transportation & Streets												
Roads	Arterial Roads	0.9	7.4	2.2	1.5	8.8	12.6	19.5	24.1	30.8	45.7	153.5
Roads	Traffic/Safety/StreetLight	0.5	0.5	0.5	4.5	5.9	5.2	5.6	6.0	6.2	1.0	35.9
Roads	Strategic Roads (Interchanges, Ring Road)	0.1	4.3	7.1	36.0	46.3	25.6	76.5	131.1	175.5	109.0	611.5
Transit	Bus Fleet (Growth)	1.5	12.2	9.8	42.0	61.0	43.4	101.6	161.2	212.5	155.7	800.9
Transit	LRT Systems & Facilities	11.7	5.9	4.3	4.0	2.1	1.9	3.8	1.2	71.7	-	106.6
Transit	Bus Systems & Facilities	1.1	2.2	4.9	9.8	5.6	5.6	-	-	-	-	29.2
Transit	South LRT Extension	0.5	1.3	2.7	2.6	6.0	2.9	0.1	0.1	0.2	0.2	16.6
		8.1	63.0	60.1	129.0	88.6	88.1	75.6	-	-	-	512.5
	Total Transportation & Streets	21.4	72.4	72.0	145.4	102.3	98.5	79.5	1.3	71.9	0.2	664.9
Total Planned Growth Expenditures		22.9	84.6	81.8	187.4	163.3	141.9	181.1	162.5	284.4	155.9	1,465.8
		54.0	134.8	123.5	245.0	234.3	168.1	212.8	185.9	302.0	172.7	1,833.1
OTHER EXPENDITURES (ECONOMIC DEVELOPMENT, ORGANIZATIONAL EFFECTIVENESS)												
Asset Management & Public Works												
Land & Buildings	Buildings - Offices	0.1	0.6	1.0	0.2	1.4	0.8	0.8	0.8	0.9	1.0	7.6
	Total Asset Management & Public Works	0.1	0.6	1.0	0.2	1.4	0.8	0.8	0.8	0.9	1.0	7.6
Community Services												
Parks, River Valley & Natural Areas	Buildings/Pavilions/Gazebos	3.5	2.5	-	-	-	-	-	-	-	-	6.0
Recreation & Cultural Facilities	Attractions	0.7	2.5	1.5	2.7	2.9	6.4	17.7	3.3	3.9	2.1	43.7
	Total Community Services	4.2	5.0	1.5	2.7	2.9	6.4	17.7	3.3	3.9	2.1	49.7
Corporate Services												
Corporate Services	Technology Equipment- Business Applications	-	-	-	-	-	-	-	-	-	-	-
Emergency Response												
Fire and Rescue	Communication	-	-	0.1	1.5	1.0	-	-	-	-	-	2.6
Fire and Rescue	Fire Fighting Equipment Upgrade	-	-	-	0.3	-	-	-	-	-	-	0.3
		-	-	0.1	1.8	1.0	-	-	-	-	-	2.9
Planning & Development												
Planning & Development	Technology Equipment - Business Applications	0.3	0.1	0.1	0.2	-	-	-	-	-	-	0.7
Edmonton Public Library												
Public Library	Self Check-out	-	5.0	-	-	-	-	-	-	-	-	5.0
Total Other Expenditures (Economic Development, Organizational Effectiveness)		4.6	10.7	2.7	4.9	5.3	7.2	18.5	4.1	4.8	3.1	65.9
TOTAL UNFUNDED CAPITAL INITIATIVES		**$ 143.8**	**$ 275.3**	**$ 243.1**	**$ 365.7**	**$ 368.8**	**$ 290.5**	**$ 373.8**	**$ 357.6**	**$ 444.8**	**$ 322.7**	**$ 3,186.1**